



FOR IMMEDIATE RELEASE

Theraclone Sciences Initiates Phase 2 Viral Challenge Clinical Study of Therapeutic Antibody for the Treatment of Influenza A

Seattle, WA – October 25, 2012 – Theraclone Sciences, Inc., a therapeutic antibody discovery and development company, today announced the initiation of a Phase 2 clinical study of TCN-032 in a viral challenge model. TCN-032 is a broadly protective and fully human monoclonal antibody being developed for the treatment of influenza A infections.

“Both severe seasonal and pandemic influenza represent a major global health threat with limited treatment options due to the virus’ ability to rapidly mutate,” commented Eleanor Ramos, M.D., Chief Medical Officer, Theraclone Sciences. “TCN-032 was discovered through our I-STAR™ technology and targets virtually all influenza A strains. This proof-of-efficacy study is an important milestone for Theraclone in the development of a universal therapeutic for patients with serious influenza A infections. Data from the study are expected in 1H 2013.”

The randomized, placebo-controlled, double-blind Phase 2 study is designed to assess the safety and efficacy of TCN-032 in normal volunteers challenged with influenza A. After viral challenge, subjects will be randomized 1:1 to TCN-032 or placebo and will be monitored for development of clinical symptoms and viral shedding.

The trial is supported in part by Zenyaku Kogyo Co., Ltd. through its multi-year research and development agreement with Theraclone to identify conserved, essential antibody targets, and to develop candidates for the treatment of pandemic and severe seasonal influenza. Zenyaku Kogyo has an exclusive license in the territory of Japan to Theraclone’s influenza monoclonal antibody program. Theraclone controls worldwide development and commercialization rights outside of Japan.

About Influenza

Influenza is a contagious disease affecting the respiratory tract and sometimes other organs, which typically causes mild to severe illness, but, at times, can lead to death. Approximately 36,000 people die each year from flu-related causes in the U.S. Certain populations, including the elderly, young children and people with certain health conditions, are at particularly high risk for serious flu complications.

Influenza A viruses can replicate and mutate very rapidly. Reassortment or recombining of viral genetic material from human, swine and avian influenza strains presents the dangerous possibility of pathogenic strains capable of causing widespread infection including pandemics, as was the case with the swine-origin influenza virus pandemic in 2009. To date, international governments have established multi-billion dollar stockpiles of drugs and vaccines in an effort to provide protection against future influenza pandemics. The development of new, complementary therapeutic approaches is a high international public health priority.



About Theraclone Sciences

Theraclone Sciences is a Seattle-based biotech focused on the development of novel therapeutic antibodies for the treatment of infectious disease and cancer. The Company's I-STAR™ technology harnesses the power of the human immune system to identify rare, naturally evolved monoclonal antibodies from the blood cells of immunologically relevant human subjects. Theraclone has established discovery partnerships with Pfizer, Zenyaku Kogyo and the International AIDS Vaccine Research Initiative. In addition, the Company has two proprietary antibody programs in clinical development for pandemic and seasonal influenza and human cytomegalovirus (HCMV). www.theraclone-sciences.com.

###

Media Contact:

Michelle Avery or Doug MacDougall
MacDougall Biomedical Communications
781-235-3060