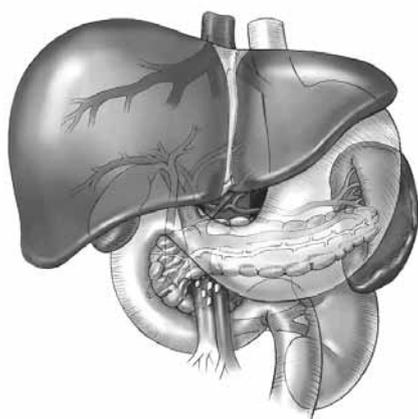


# 3SBio and Isotechnika Sign Partnership to Develop Voclosporin in China



**3**SBio, a China-based biotechnology company focused on researching, developing, manufacturing and marketing biopharmaceutical products and Isotechnika Pharma, a Canadian biopharma company, focused on the discovery and development of immune modulating therapeutics, have signed of a development and commercialization agreement for voclosporin, a next generation calcineurin inhibitor being developed for use in the prevention of organ rejection following transplantation and the treatment of autoimmune diseases.

Under the terms of the agreement, Isotechnika will grant 3SBio exclusive rights to all transplant and autoimmune indications of Voclosporin in China, including Hong Kong and Taiwan, excluding ophthalmic indications and medical devices which were previously licensed to Lux Biosciences and Atrium Medical Corporation, respectively. 3SBio will be responsible for the clinical development, registration and commercialization of Voclosporin in China. Isotechnika will provide, under separate agreement, commercial supply to 3SBio on a cost-plus basis. Isotechnika will receive an upfront non-refundable licensing payment of \$1.5 million. Isotechnika will also receive ongoing royalties based on sales of Voclosporin by 3SBio.

3SBio will invest the \$4.5 million in Isotechnika through a three-year convertible debenture which will pay interest of 7 percent payable semi-annually. Isotechnika has the option to pay interest in cash or to issue new shares at the prevailing price when the interest is payable. 3SBio has the right to convert the debenture at any time into common equity of Isotechnika at a conversion price of \$0.15 (C\$0.155)(per share). At maturity, any remaining balance will be paid by the issuance of common shares at a price of \$0.15 (C\$0.155) per share. 3SBio will also nominate one member to Isotechnika's Board of Directors.

"This agreement represents an important milestone for the continued development of Voclosporin in transplantation indication worldwide after Isotechnika regained global rights of this product in 2008," commented Dr. Robert Foster, president and CEO of Isotechnika. He continued, "3SBio's commercial expertise and leading franchise in nephrology in China, make the company an ideal partner for the region and provides further validation of Voclosporin's market potential. We continue to seek strategic partnerships in other regions."

## [ Industry Watch ]

### CHINA

“Along with Isotechnika, we are committed to bringing this innovative medicine to China’s approximately 100,000 transplant recipients, a population which is growing by about 10,000 new patients per year,” said Dr Jing Lou, chief executive officer of 3SBio. He continued, “This partnership reinforces our goal of establishing 3SBio as the partner of choice in China for biotechnology companies around the world. We look forward to working with our partners at Isotechnika to prepare and file a dossier for SFDA regulatory approval to begin a phase III trial for Voclosporin in China.”

#### About 3SBio

Shenyang Sunshine Pharmaceutical Company Limited (SUNSHINE) is an integrated biopharmaceutical company engaged in research/development, manufacture and marketing/sales of biopharmaceutical products in China. Our recombinant, or genetically engineered, protein-based products and product candidates are designed to address large markets with significant unmet medical needs in nephrology, oncology, supportive cancer care, inflammation and infectious disease. We began operations in 1993. Currently, our principal products are EPIAO®, TPIAO®, INTEFEN® and INLEUSIN®. SUNSHINE is now one of the largest biopharmaceutical companies in China in terms of market shares, growth and profitability.

#### About Isotech

Isotechnika Inc. is an international biopharmaceutical company dedicated to the discovery, development and commercialization of novel immunosuppressive therapeutics for the treatment of autoimmune diseases and for use in the prevention of organ rejection in transplantation. In addition to the Company’s drug pipeline, Isotechnika also has diagnostic products. ■



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