



For Immediate Release

FLAG Therapeutics Oversubscribes Financing Round and Receives \$500,000 Matching Loan From North Carolina Biotechnology Center

The matching funds support the completion of a Phase 1 safety study of a novel small molecule for treating glioblastoma.

RALEIGH, N.C., August 8, 2017 – With the completion of FLAG's seed round, the North Carolina Biotechnology Center announced a \$500,000 Strategic Growth Loan to FLAG Therapeutics. The Strategic Growth Loan (SLG) is designed to help North Carolina life science companies reach specific and meaningful milestones that will enable them to obtain further funding from investors and/or to commercialize their products. The award supports an Investigational New Drug filing with the U.S. Food and Drug Administration and completion of a Phase 1 safety study of a novel small molecule for treating glioblastoma, a malignant brain tumor with an extremely poor prognosis.

FLAG Therapeutics' leading candidate for treating glioblastoma is the first compound ever compound to combine the dual-action of the two major classes of anti-cancer drugs - anti-angiogenic and anti-tubulin (AA/AT) - into a single small molecule. This dual-acting compound delivers a simultaneous anti-angiogenic and anti-tubulin assault on the tumor. By attacking the tumor when it is most vulnerable, FLAG hopes to increase drug efficacy while decreasing the potency of the anti-tubulin activity for improved tolerability. In addition, FLAG's anti-angiogenic and anti-tubulin compounds are designed to circumvent the two major mechanisms of drug resistance (P-glycoprotein (PGP) and β -III tubulin overexpression) that limit the utility of current therapies.

Frank Sorgi, Ph.D., president and chief executive officer of FLAG Therapeutics, stated, "The matching funds from the North Carolina Biotechnology Center provides continued validation of our technology, as this is the third investment the NC Biotech has made in FLAG Therapeutics." Dr. Sorgi continued, "We look forward to moving the technology forward and rapidly advancing these compounds into clinical trials."

About FLAG Therapeutics

FLAG Therapeutics Inc., headquartered in Raleigh, North Carolina, is an early-stage oncology company focused on the development of therapies based on two novel classes of small molecule, water-soluble drugs. *In vivo* studies suggest that both classes of compounds, anti-angiogenic/anti-tubulin (AA/AT) compounds and Purine Synthesis Inhibitors, hold the potential to treat multiple cancer types with greater safety and efficacy than conventional therapies. FLAG Therapeutics has obtained exclusive



worldwide rights to these compounds from Duquesne University. To learn more about FLAG Therapeutics, please visit www.flagtherapeutics.com.

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