PreCyte and CIDR Announce $2M SBIR Phase II Funding for the Application of the Indicator Cell Assay Platform (iCAP) for the Early Detection of Lung Cancer

PreCyte, Inc. a developer of innovative diagnostic tests for neurodegenerative and other diseases, and the Center for Infectious Disease Research (CIDR) announced today that the National Cancer Institute of the National Institutes of Health (NIH) has awarded PreCyte a Small Business Innovation Research (SBIR) grant to support application of the company's targeted diagnostic technology, based on the Indicator Cell Assay Platform (iCAP) applied to serum, for classification of indeterminate pulmonary nodules identified by imaging. The award will provide PreCyte with approximately $2M over two years.

September 13, 2018 (SEATTLE, WA) – PreCyte, Inc. a developer of innovative diagnostic tests for neurodegenerative and other diseases, and the Center for Infectious Disease Research (CIDR) announced today that the National Cancer Institute of the National Institutes of Health (NIH) has awarded PreCyte a Small Business Innovation Research (SBIR) grant to support application of the company's targeted diagnostic technology, based on the Indicator Cell Assay Platform (iCAP) applied to serum, for classification of indeterminate pulmonary nodules identified by imaging. The award will provide PreCyte with approximately $2M over two years. In the previous studies performed by PreCyte and its collaborators at CIDR, and supported in part by the National Cancer Institute, an iCAP was developed to classify indeterminate pulmonary nodules identified by imaging as benign or malignant with 74% accuracy validated with independent hold-out serum samples. This unoptimized classifier would save 55% of patients with benign nodules from further diagnostic evaluation including invasive biopsy, and correctly identify 86% of malignant tumors. The present award will support further development and optimization of the iCAP for lung cancer detection using archived and prospectively collected serum samples. The analysis will be conducted in collaboration with CIDR and leading academic centers.

"There is a great clinical need to develop minimally invasive and in-expensive methods to identify individuals, who present with indeterminate pulmonary nodules (too large to ignore and too small to be obvious surgical candidates), whose nodules are benign," said Robert Lipshutz, PhD, CEO of PreCyte. "Accurate identification of these patients would enable them to avoid costly and risky follow-up procedures including resection or trans-thoracic biopsies. We greatly appreciate the additional support of the NIH. This funding strengthens our ability to collaborate with key opinion leaders in the field of lung cancer, and to further demonstrate the broad applicability of the iCAP assay. We look forward to our continued collaboration with CIDR and other leading clinical centers."

"We are excited about the opportunity to make an impact in lung cancer and neurodegenerative diseases and look forward to collaborating with PreCyte on this promising and innovative project, said Prof. John Aitchison, Ph.D., president of CIDR.

About iCAP
The indicator cell assay platform (iCAP) is analogous to the early pregnancy test in which, without knowing what to look for, the patient's blood or urine was injected into a rabbit and readout was the response of the

rabbit's ovaries to the sample. In the iCAP, patient serum is applied to specifically selected standardized indicator cells. The response of the cell provides the readout. The indicator cell assay will succeed where other methods have failed by exploiting cells' natural capability to amplify and integrate multi-analyte signals. The assay has been demonstrated to be 94% accurate for the detection of ALS in a murine model, and in preliminary studies the assay had 69% sensitivity and 91% specificity classifying early-stage Alzheimer's disease from normal samples.

About PreCyte
PreCyte is a privately held molecular diagnostics company focused on developing minimally invasive tests for the early detection and monitoring of neurodegenerative disease and cancer. http://www.precyte.net

About CIDR
CIDR is a non-profit biomedical research institute founded in 1976 and focused on global health and infectious disease. Since 2012 and under the direction of current president, John Aitchison, the organization specializes in applying and developing systems biology approaches to infectious disease. They are committed to impacting human health through innovation and a global perspective of disease mechanisms. Since 1976, CIDR has grown to a staff of about 250, which includes 13 faculty members and laboratory groups.

Please Note: This news release contains forward-looking statements regarding future events. These statements are just predictions and are subject to risks and uncertainties that could cause the actual events or results to differ materially. These risks and uncertainties include, among others: the results, timing, costs and regulatory review of our studies and clinical trials; the results of studies of our product candidates conducted by others; our ability to obtain future funding on acceptable terms; our ability to obtain regulatory approval of our product candidates; the possible impairment of, or inability to obtain, intellectual property rights; and innovation by our competitors. The content is solely the responsibility of the company and does not necessarily represent the official views of the National Institutes of Health.

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