

Deinove's Antibiotics Expert Committee confirms the relevance of the company's approach to the discovery of novel antibiotic compounds

This Expert Committee (composed of clinicians specializing in infectious disease and members from industry) was set up in 2010 to advise Deinove on its Deinobiotics project (the discovery of novel antibiotics with activity against multiresistant pathogens).

Paris, March 14th, 2011 – <u>Deinove</u> (Alternext Paris: ALDEI), the world's leading specialist in Deinococcus bacteria for biofuels, green chemistry and antibiotics, today announced that its Antibiotics Expert Committee had met recently to analyze the antibiotic screening results for the company's collection of rare bacteria.

The Expert Committee is dedicated to the Deinobiotics project and is composed of four members with acknowledged experience in antibiotics discovery and the prevention and treatment of infectious disease:

- **Professor Pierre Dellamonica**, Head of the Infectious Disease Department at Nice University Hospital, a member of the Steering Committee for the French National Plan for the Prevention of Hospital-Acquired Infections and an expert advisor to the Eurobiomed cluster's Strategic Projects Board.
- **Professor Vincent Jarlier**, Head of the Medical Bacteriology Department at Pitié-Salpêtrière University Hospital, Paris.
- **Dr Dominique Le Beller**, former Director of Operations at Novexel and a former Head of Antiinfective Biochemistry at Aventis.
- **Dr Jean-Pierre Tafani**, founder of APcis (animal models of infectious diseases), diplomate of the European College of Vet Pharmacology and Toxicology, at Maisons-Alfort, recipient of Siemens Innovation Trophy Award in 2006 and a former Director of Animal Health Research at British Petroleum Animal Nutrition.

Deinove CEO Jacques Biton emphasized "we are delighted and honoured to have such renowned experts advising us on the Deinobiotics project. The Expert Committee considered that our results were encouraging and confirmed the relevance of our approach based on screening a bacterial biodiversity inexplored so far, since the conventional approaches over the last ten years have been very disappointing. Along with our partners, we have moved back to the fundamentals of antibiotic discovery and hope to identify novel, innovative molecules that protect patients against multiresistant infections a real public health issue."

In order to identify novel compounds, Deinove and its partners have screened several thousands of bacteria from the company's proprietary collection. This primary screening phase revealed that several Deinove's rare bacteria produce antibacterial and/or antifungal antibiotic activities. These activities may be due to novel compounds, which in turn could provide innovative solutions in the treatment of infectious diseases that are increasingly resistant to conventional antibiotics.

Several candidate molecules are undergoing preliminary evaluation in *in vitro* assays and activity tests with numerous hospital-acquired bacteria that are particularly resistant to today's standard antibiotics. The discovery strategy adopted by Deinove is seeking to rapidly generate at least one antibacterial or antifungal drug candidate (a "lead"), elucidate its molecular structure, determine its mode of action and biological target and check its efficacy in animals, with a view to subsequent regulatory and toxicology preclinical trials and clinical trials in man (that could be performed by a pharma partner).

Deinove's antibiotics discovery operations have attracted a total of €1.1 million in public financial support from a variety of sources: Oseo (the French state innovation agency), the Languedoc-Roussillon Regional Council and the European Regional Development Fund (ERDF). The projects have also been accredited by the Eurobiomed cluster. The consortium comprises Deinove (the project leader), the Nîmes-based biotech start-up Nosopharm (a specialist in antibiotic screening), the CPBS (a joint CNRS-University of Montpellier 1 lab for pathogenic agent studies) and the Institute of Structural Genomics (CNRS Marseilles).



The Deinobiotics project is co-funded by the European Regional Development Fund (ERDF). The European Union is investing in the Languedoc-Roussillon region through the ERDF.

Partners: www.cnrs.fr and www.nosopharm.com





About antibiotics

Infectious diseases remain the leading cause of death worldwide¹. Each year, nosocomial (hospital-acquired) infections affect around 2 million people in the USA² and 5 million in the European Union³, with a mortality rate of 5% (i.e. around 285,000 deaths annually). The global antibacterials market was worth \$30 billion in 2006 and is set to grow to \$45 billion by 2012⁴. There is an urgent need to develop a new therapeutic arsenal, in view of the resurgence of bacterial multi-resistance in community and nosocomial infections, which is particularly critical for infections caused by Gram-negative bacteria (for eg. E. Coli which is the main responsible bacteria of urinary infections), and of the emergence of new pathogens. Rare, robust bacteria in general and *Deinococcus* sp. in particular have been rarely studied and under-exploited to date - despite the fact that (alike the rare Actinomycetes) they could constitute one of the most productive bacterial reservoirs of novel antibiotics.

¹ Global Health Statistics 2008, World Health Organization (2008)

² Klevens RM et al. Pub. Health Rep. 122: 160-166 (2007)

³ Annual epidemiological report on communicable diseases in Europe. Eds: Andrew Amato-Gauci and Andrea Ammon. European Centre for Disease Prevention and Control (2007)

⁴ The Global Antibacterials Market - R&D pipelines, market analysis and competitive landscape. Arrowhead Publishers (2007)
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About DEINOVE

The greentech company Deinove (Alternext Paris: ALDEI) is dedicated to the development and commercial exploitation of innovative technological processes for the production of biofuels and other compounds of industrial or pharmaceutical interest, by exploiting the deinococci's exceptional natural properties. Deinove successfully floated on the Alternext stock market in April 2010. The company intends to leverage its proprietary bacterial strains, technologies and processes by outlicensing to industrial partners. Deinove has partnered with leading sugar, ethanol and starch company TEREOS in order to develop the Deinol project, which aims at producing cellulosic ethanol in existing industrial facilities.

Deinove currently has 25 staff and operates several collaborative R&D programmes with the CNRS (Montpellier and Marseilles), the University of Paris V, INSA Toulouse and the VTT-Technical Research Centre of Finland. It was incorporated in late 2006 under the joint impetus of Philippe Pouletty MD (Managing Partner at the private equity firm Truffle Capital) and Professor Miroslav Radman (Professor of Cell Biology at Paris-Descartes University, a member of the French Academy of Science and winner of the 2003 INSERM Medical Research Prize). Professor Radman elucidated the genetic mechanism behind the extraordinary natural properties of the bacterium Deinococcus (biodiversity and robustness) on which Deinove's innovation strategy is based. The company's headquarters are in Paris and it operates a lab in Montpellier (Cap Alpha Technopark), southern France.

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This press release and the information contained herein do not constitute an offer to sell or subscribe to, or a solicitation of an offer to buy or subscribe to, shares in Deinove ("the Company") in any country. This press release contains forward-looking statements that relate to the Company's objectives. Such forward-looking statements are based solely on the current expectations and assumptions of the Company's management and involve risk and uncertainties. Potential risks and uncertainties include, without limitation, whether the Company will be successful in implementing its strategies, whether there will be continued growth in the relevant market and demand for the Company's products, new products or technological developments introduced by competitors, and risks associated with managing growth. Unfavorable developments in connection with these and other risks and uncertainties described, in particular, in Chapter 4 of the Company's prospectus prepared in connection with its IPO and on which the French Autorité des Marches Financiers ("AMF") granted its visa no. 10-014 on March 25 2010, could cause the Company to fail to achieve the objectives expressed by the forward-looking statements above. Updates are available on the company's website http://www.deinove.com

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