VivaMab and ADC Therapeutics Announce Antibody Licensing Deal for Novel ADC Candidate to Target Hematologic Cancers

San Diego, USA and Lausanne, Switzerland – 24 June 2013 – VivaMab, a therapeutic development division of BioAtla LLC, and ADC Therapeutics Sarl, a portfolio company of Auven Therapeutics and the oncology drug development company specializing in proprietary antibody drug conjugates ('ADCs'), today announced a licensing deal for a novel antibody against an undisclosed hematological cancer target.

Under the terms of the deal, ADC Therapeutics has licensed a VivaMab antibody (VM101) produced using BioAtla's Express Humanization™, Comprehensive Positional Evolution™, Combinatorial Protein Synthesis™ affinity and functional maturation technology platforms. VM101 has been combined with a third-generation cytotoxic pyrrolobenzodiazepine (PBD)-based warhead and proprietary linker technology to form a novel ADC, which has already been shown to have powerful *in vivo* efficacy in established models for normally intractable hematological cancer indications.

ADC Therapeutics plans to initiate pre-IND development of this proprietary ADC immediately, in parallel with its other advanced ADC programs. VivaMab will provide development support and will receive a share of potential milestones and royalties on the drug. Financial terms were not disclosed and remain confidential.

Dr. William Boyle, President of VivaMab said: "The BioAtla platform has generated a superior internalizing antibody to the target of interest, allowing us to generate and develop an ADC drug candidate for hematologic cancers. The combination of a uniquely potent BioAtla antibody with a potent drug conjugate, or warhead, is likely to enhance therapeutic outcomes in its target indication."

Dr. Peter B. Corr, Chairman of ADC Therapeutics and Managing General Partner of Auven Therapeutics said: "PBD-antibody conjugates are the most promising next-generation ADCs. The target disease for this ADC is particularly sensitive to our PBD technology, with its functionally optimized conjugation and pharmaceutical properties that maintain activity in cancers resistant to other therapies including earlier generations of ADCs. We are very pleased to be working with VivaMab to bring this potentially exciting cancer therapeutic into clinical development."

Results presented at the 2013 American Association for Cancer Research by BioAtla and Spirogen showed positive data describing the potent ADC activity which resulted from the combination of BioAtla's functionally and CIAO!™ evolved antibody with Spirogen's PBD-derived conjugate. The pre-clinical studies, that evaluated *in vivo* performance against a hematologic cancer target, showed complete responses at low doses, and at low drug-antibody ratios, in each of the tumor types studied. The PBD dimers were not found to be cross-resistant with widely used chemotherapeutic agents.

Dr. Jay M. Short, CEO and Chairman of BioAtla sees future opportunities to pursue ADCs: "By creating an antibody that is optimized for expression, target binding and potency, BioAtla and ADCT are paving the way to make powerful next generation cancer drugs with the potential to save lives."

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About BioAtla LLC and VivaMab

Founded in 2007, BioAtla is a protein therapeutics service provider with facilities in San Diego and Beijing. BioAtla is a pioneer in BioAcceleration™ technologies, using our global infrastructure to deliver cost-efficient access to proprietary, comprehensive, state-of-the art technology platforms and services, maximizing antibody and other protein product development opportunities from discovery to IND. BioAtla has over 50 patents pending covering both its platforms and VivaMab molecules.

BioAtla's proprietary Comprehensive Integrated Antibody Optimization (CIAO!™) platform selected for natural protein folding and glycosylation, high protein expression and faster downstream process development enables cost-efficiencies by integrating the features important for manufacturing and process development into the design of the protein. BioAtla's latest proprietary platforms include manufacturing-efficient bi-specific antibodies, as well as Conditionally Active Biologics (CABs), antibodies that can be locally and reversibly activated at diseased tissues.

Formed in 2010, VivaMab is the therapeutic development division of BioAtla with a pre-clinical biologic portfolio that includes both first-in-class as well as best-in-class assets in oncology and immunology therapeutic areas.

To learn more, please visit: www.bioatla.com and www.vivamab.com

About ADC Therapeutics Sarl

ADC Therapeutics (ADCT) is a Swiss-based oncology drug development company that specializes in the development of proprietary Antibody Drug Conjugates (ADCs) targeting major cancers such as breast lung, prostate, renal and blood. The Company's ADCs are highly targeted drug constructs which combine monoclonal antibodies specific to particular types of tumor cells with a novel class of highly potent pyrrolobenzodiazepine (PBD)-based warheads. As its PBD-based chemistries do not distort the structure of the DNA it gives the prospect of highly potent, target-selective cancer therapies with fewer side effects and the potential to pre-empt resistance issues faced by other anti-cancer products on the market. The company was formed in 2012 with a $50m commitment from private equity firm Auven Therapeutics (previously known as Celtic Therapeutics). ADCT has a strategic collaboration with Spirogen Ltd, also an Auven Therapeutics' portfolio company, for the supply of warhead chemistries and R&D services. It operates a virtual business model based in Lausanne, Switzerland.

For further information please see: www.adctherapeutics.com

About Auven Therapeutics

Auven Therapeutics was founded by Stephen Evans-Freke and Dr. Peter B Corr in 2007 with an innovative investment strategy - while it is structured as a private equity fund, it also operates as a drug development company. Auven Therapeutics has a portfolio of biologic and small molecule therapeutic candidates for a range of therapeutic indications including cancer, ophthalmic conditions, women's health and orphan diseases. Auven manages its drug development activities from its bases in Lausanne, Switzerland, New York, USA and Hamilton, Bermuda. Auven Therapeutics Management L.L.L.P., based in the U.S. Virgin Islands, serves as its Investment Advisor.

For further information please see: www.auventx.com

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