

Autoimmune Technologies Announces New Subsidiary to Develop Novel Antibody and Allogeneic Somatic Stem Cell Therapeutics For the Treatment of Invasive Candidiasis and Other Infectious Disease

FOR IMMEDIATE RELEASE

New Orleans (PR Newswire), December 9, 2019 - Autoimmune Technologies LLC, a biotechnology company developing diagnostics and therapies for non-infectious and infectious disease, has established a new subsidiary, Stadius Biopharma LLC, to focus on proprietary anti-infective antibody therapeutics for diseases that are inadequately addressed by current standard-of-care medicines.

"Within this standalone entity we'll concentrate on our unique fully human antibodies and our stem cell antibody delivery platform to treat opportunistic viral, bacterial, and fungal infections," said Michael Charbonnet, who will serve as CEO of the newly formed business unit in addition to his continuing responsibilities for the parent company. Current Stadius antibody targets include invasive candidiasis and cytomegalovirus (CMV) infection.

"Our antibodies bind and disrupt the function of conserved sequences of novel virulence factors associated with pathology of various species of *Candida*," said CSO Russell Wilson. "*Candida auris* is an emerging fungus that presents a serious global health threat, and we're encouraged by our initial preclinical data that indicates activity against *C. auris* as well as *C. albicans*, which is prevalent in high risk patients," he said.

The CDC is monitoring the spread of *C. auris* colonization and infection in the United States. *C. auris* is associated with a high rate of morbidity and mortality and is resistant to current standard of care antifungal treatments. Healthy individuals unknowingly colonized with *C. auris* or other *Candida* species and can spread the fungal cells to surfaces in hospitals, long-term-care facilities, and other healthcare environments, where they pose a threat to people with weakened immune systems.

Also under development are antibody therapeutics to CMV infection. More than 50% of individuals in the U.S. over 40 years of age have been exposed to CMV and carry it without symptoms. It can re-activate in patients with subpar immune systems with the potential for multi-organ involvement, and it can be transmitted through body fluids such as breast milk and saliva. Over time, individuals can become re-infected with different strains of CMV, further complicating prophylaxis and treatment. CMV is the most frequent infectious complication following both solid organ transplantation and bone marrow transplantation.

The company is also developing its proprietary non-viral gene modified allogeneic stem cell platform for delivering antibodies in chronically immune compromised patients. The somatic

adipose-derived mesenchymal stem cells, which have unique properties to allow prevention of rejection, are transfected with the genetic information needed to enable the implanted stem cells to produce inside the patient the antibodies needed to prevent or treat infection. Antibody delivery to patients via this platform is intended to provide continuous protection while reducing the requirement for more frequent dosing.

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