

Bioasis and Chiesi Group Announce Rare Diseases Strategic Alliance

Published On: 2020-06-29 00:00

Category: #Corporate

Deal provides Chiesi Group with worldwide, exclusive license to use Bioasis xB3 TM platform for delivery of undisclosed enzymes in treatment of four lysosomal storage disorders.

Under terms of the agreement, Bioasis will receive an upfront payment of US\$3 million, additional potential milestone payments of up to US\$138 million and royalties on net sales from licensed products.

JUNE 29, 2020

GUILFORD, CONN., U.S.A. and PARMA, ITALY – BIOASIS TECHNOLOGIES INC. (“Bioasis”)

(TSXV:BTI.V; OTCQB:BIOAF), a pre-clinical, research-stage biopharmaceutical company developing its proprietary xB3 TM platform technology for the delivery of therapeutics across the blood-brain barrier (the “**BBB**”) and the treatment of central nervous system (“**CNS**”) disorders in areas of high unmet medical need, including rare genetic diseases, brain cancers, neurodegenerative diseases and pain, and **Chiesi Global Rare Diseases**, a business unit of Chiesi Group, an international research-focused healthcare Group, today announced that they have entered into a worldwide, exclusive licensing agreement for the xB3 BBB platform technology in treatment of rare diseases with a focus on four undisclosed lysosomal storage disorders (“**LSDs**”).

Under the terms of the Research Collaboration and License Agreement (the “**Agreement**”), Chiesi Group will pay Bioasis an upfront payment of US\$3 million. Bioasis may also be eligible to receive additional development, regulatory and commercial milestone payments of up to US\$138 million, as well as additional royalties on net sales of licensed products, pending market approval. Chiesi Group will be responsible for all costs associated with research, development and commercialization of the four undisclosed LSD programs.

“With this collaboration, we are taking our commitment to bringing innovative therapies to rare disease patients, including those living with LSDs, to an entirely new level,” said Giacomo Chiesi, Head of Chiesi Global Rare Diseases, a business unit of Chiesi Group. “The unique delivery method of their xB3 platform has the potential to overcome a significant challenge in the treatment of many neurological disorders, which is the ability to cross the blood brain barrier.

We look forward to working closely with the Bioasis team in advancing several new LSD clinical development programs using this technology platform.”

“We are very pleased to have entered into this agreement and excited to be working with Chiesi Group, a global company with a strong commitment to bringing innovative treatments to patients with LSDs,” said Deborah Rathjen, Ph.D., Bioasis’ Chair and Chief Executive Officer. “Neurological complications of LSDs remain largely untreatable when peripheral symptoms of disease respond to enzyme replacement therapy. Our xB3 BBB drug delivery platform has the potential to significantly advance the treatment of LSDs and the use of enzyme replacement therapy, solving one of the major unmet needs and improving the lives of patients.”

Chiesi Global Rare Diseases and Bioasis will host a joint webcast with details to be announced.

On behalf of the Board of Directors of Bioasis Technologies Inc.

Deborah Rathjen, Ph.D., Chair & Chief Executive Officer

BTI-CRP

About Lysosomal Storage Disorders

Lysosomal storage disorders are inherited metabolic diseases that are characterized by an abnormal build-up of various toxic materials in the body's cells as a result of enzyme deficiencies.

The build-up of toxic materials can affect different parts of the body, including the skeleton, brain, skin, heart and central nervous system. There are nearly 50 known LSDs. While there has been progress in clinical research to develop treatments in recent years, for most LSDs there are either no or limited treatment options available.

About Chiesi Global Rare Diseases

Chiesi Global Rare Diseases is a business unit of the Chiesi Group, established in February 2020 and focused on research and development of treatments for rare and ultra-rare disorders. The Global Rare Diseases unit works in collaboration with Chiesi Group to harness the full resources and capabilities of our global network to bring innovative new treatment options to people living with rare diseases, many of whom have limited or no treatments available. The unit is also a dedicated partner with global leaders in patient advocacy, research and patient care.

About Chiesi Group

Based in Parma, Italy, Chiesi Farmaceutici is an international research-focused healthcare group with 85 years of experience in the pharmaceutical industry and a global presence in 29 countries. Chiesi researches, develops, and markets innovative drugs in the respiratory therapeutics, specialist medicine, and rare disease areas. Its R&D organization is headquartered in Parma

(Italy), and is integrated with R&D groups in France, the USA, the UK and Sweden to advance Chiesi's pre-clinical, clinical and registration programs. Chiesi employs nearly 6,000 people. Chiesi Group is a certified Benefit corporation. For more information, please visit www.chiesi.com.

About Bioasis

Bioasis Technologies Inc. is a biopharmaceutical company developing the xB3 platform, a proprietary technology for the delivery of therapeutics across the BBB and the treatment of CNS disorders in areas of high unmet medical need. The delivery of therapeutics across the BBB represents the final frontier in treating neurological disorders. Bioasis' internal pipeline programs are focused on treatments for certain brain cancers and rare diseases, including

Gaucher's Disease Type II, neurodegenerative diseases including Parkinson's disease and Lewy Body Dementia and neuroinflammatory conditions including pain, epilepsy and Multiple Sclerosis. Bioasis trades on the TSX Venture Exchange under the symbol "BTI" and on the OTCQB under the symbol "BIOAF." For more information about the Company, please visit www.bioasis.us.

Forward-Looking Statements

Certain statements in this press release contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 or forward-looking information under applicable Canadian securities legislation that may not be based on historical fact along with other statements containing the words “believe,” “may,” “plan,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect” and similar expressions. Such forward-looking statements or information involve known and unknown risks, uncertainties and other factors that may cause our actual results, events or developments, or industry results, to be materially different from any future results, events or developments express or implied by such forward-looking statements or information. Such factors include, among others, our stage of development, lack of any product revenues, additional capital requirements, risk associated with the completion of clinical trials and obtaining regulatory approval to market our products, the ability to protect our intellectual property, dependence on collaborative partners and the prospects for negotiating additional corporate collaborations or licensing arrangements and their timing.

Specifically, certain risks and uncertainties that could cause such actual events or results expressed or implied by such forward-looking statements and information to differ materially from any future events or results expressed or implied by such statements and information include, but are not limited to, the risks and uncertainties that: products that we develop may not succeed in preclinical or clinical trials, or future products in our targeted corporate objectives; our future operating results are uncertain and likely to fluctuate; we may not be able to raise additional capital; we may not be successful in establishing additional corporate collaborations or licensing arrangements; we may not be able to establish marketing and the costs of launching our products may be greater than anticipated; we have no experience in commercial manufacturing; we may face unknown risks related to intellectual property matters; we face increased competition from pharmaceutical and biotechnology companies; and other factors as described in detail in our filings with the Canadian securities regulatory authorities at www.sedar.com. Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements and information, which are qualified

in their entirety by this cautionary statement. All forward-looking statements and information made herein are based on our current expectations and we undertake no obligation to revise or update such forward-looking statements and information to reflect subsequent events or circumstances, except as required by law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Contact:

Deborah Rathjen deborah@bioasis.us

+1 203 533 7082

+61 418 160 425

Media Contacts:

Jenna Urban

Berry & Company Public Relations jurban@berrypr.com

Valentina Biagini

Senior Group Communication Manager Chiesi Group

v.biagini@chiesi.com

PP-G-0441 V1.0