FOR IMMEDIATE RELEASE

STATegics, Inc. Announces a Grant Supporting the Company's Program in Acute Kidney Injury

Menlo Park, CA, August 15, 2013 – STATegics, Inc. announced today that the National Institute of Diabetes and Digestive and Kidney Diseases (NIDDK) has awarded the company a grant of $227,624 to advance its proprietary erythropoietin (EPO) receptor agonist compounds for the treatment of acute kidney injury (AKI). The award will fund the characterization of the company's compounds in key preclinical studies supporting their further development for the treatment of AKI.

"We have made significant progress in the discovery and development of broadly protective, non-erythropoietic EPO receptor agonist compounds. Our recent results illustrate the potent effects of STATegics' compounds in protecting kidney cells from cellular damage both *in vitro* and *in vivo*. This new grant allows for more detailed characterization of these protective effects in preclinical models of acute kidney injury, and we look forward to continued advancement of the compounds toward clinical trials," stated Juha Punnonen, MD, PhD, Chief Executive Officer of STATegics.

About AKI and small molecule EPO receptor agonists

AKI leads to the sudden loss of kidney function and presents a significant complication associated with 5-7% of hospital admissions and approximately 30% of patients admitted to intensive care units. Common causes of AKI include major vascular surgery, inflammatory disease, myocardial infarction, sepsis, diagnostic imaging contrast-agents and aminoglycoside antibiotics. The number of patients with AKI is estimated to be more than a million each year in the United States, and surviving patients are at significant risk of developing chronic kidney disease. There are no approved drug therapies available for the treatment of AKI.

STATegics' EPO receptor agonists are small molecules designed to activate the tissue-protective EPO receptor. The lead compounds have demonstrated promising effects in protecting kidney cells and neurons from various insults, without the erythropoietic activity of recombinant EPO. STATegics' small molecule compounds offer several potential advantages when compared to alternative approaches due to their small size, tissue-availability, cytoprotective activity and feasibility for oral dosing.

About STATegics, Inc.

STATegics, Inc. is a privately-held biopharmaceutical company in Menlo Park, CA, committed to the discovery and development of small molecule modulators of cytokine receptors. The company's lead programs are focused on small molecule agonists of erythropoietin and thrombopoietin receptors for the treatment of central nervous system diseases, organ protection and thrombocytopenia. In addition to AKI, STATegics' EPO receptor agonists demonstrate promising properties for the treatment of Friedreich's ataxia, an orphan disease with no

treatments currently available, and Parkinson's disease. STATegics is also developing screening technologies for efficient and rapid identification of small molecules targeting allosteric sites of cytokine receptors. STATegics' programs have been supported by grants from the Friedreich's Ataxia Research Alliance, The Michael J. Fox Foundation for Parkinson's Research, the Department of Defense, National Institute of Neurological Disorders and Stroke and the U.S. Government's Qualifying Therapeutic Discovery Project program. For more information, visit www.stategics.com.

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