

PathoGenetix Announces \$10 Million Series C Financing

Funding will support the commercialization of PathoGenetix's rapid bacterial identification technology for use in food safety testing and public health foodborne outbreak investigations.

WOBURN, MA (Oct. 30, 2013) – PathoGenetix™, Inc., a commercial-stage developer of an automated system for rapid bacterial identification, announced today that it has secured \$10 million in a Series C financing to fund continued efforts to commercialize its Genome Sequence Scanning™ (GSS™) technology. The commitment was received from existing investors including Ascension Health Ventures, Excel Venture Management and HealthCare Ventures.

The GSS technology confirms and identifies microbial DNA in either complex mixtures or isolates, and provides actionable information in five hours. The funding will be used to further develop the first commercial system using the GSS technology, the RESOLUTION™ Microbial Genotyping System. The fully automated RESOLUTION System includes the instrument, bioinformatics software and database, and pathogen-specific assays, and will be commercially available in 2014 for use in food safety testing and foodborne illness outbreak investigations.

“This commitment from our investors reflects the outstanding progress we have made toward commercialization of the GSS technology. As we continue our efforts to deliver the RESOLUTION System for rapid pathogen strain typing, we also are gaining excellent market traction in the key public health and food industry sectors,” said Ann Merrifield, CEO of PathoGenetix.

The company announced collaborations with the Food and Drug Administration (FDA) in April and the U.S. Department of Agriculture’s Agricultural Research Service (USDA-ARS) in September, and is currently conducting a series of customer evaluations with leading food safety testing labs. In June, the company signed an agreement with Applied Maths, NV, to link the RESOLUTION System with the BioNumerics software suite currently in use in thousands of public and private research sites and laboratories around the world.

“We are excited about the potential for the GSS technology in a range of industrial, research and clinical applications,” said Tara Butler, MD, Managing Director at Ascension Health Ventures and PathoGenetix Board member. “PathoGenetix product development and research continue to demonstrate clear benefits for use in the food industry. We also believe the technology has significant potential in research and clinical applications such as microbiome analyses and genome mapping.”

Because GSS is culture independent and fully automated from sample preparation to final report, the technology greatly reduces the time, complexity, skill and cost required when compared to other molecular and next generation sequencing (NGS) identification approaches. The strain-type information provided by GSS is comparable to pulsed field gel electrophoresis (PFGE), the current standard for pathogen typing in foodborne outbreak investigation and response. As a result, GSS offers a powerful new tool for food industry pathogen traceback and public health epidemiological investigations, and can enable quicker decisions affecting food safety and public health.

About PathoGenetix, Inc.

PathoGenetix™, Inc. is a commercial-stage developer of an automated system for rapid bacterial identification from complex samples. PathoGenetix is a venture-backed company that has received more than \$50 million in technology development funding from the Department of Homeland Security. The core Genome Sequence Scanning™ (GSS™) technology analyzes DNA from an enriched biological sample—without the need for a cultured isolate—and provides results in five hours. GSS has broad applicability in food safety, industrial microbiology, and clinical diagnostics and research. The GSS technology will be available in the RESOLUTION™ Microbial Genotyping System in 2014 for use in food safety testing and foodborne illness outbreak investigations. Learn more at www.pathogenetix.com.

About Ascension Health Ventures

Ascension Health Ventures (www.ascensionhealthventures.org) was launched in 2001 as a wholly owned subsidiary of Ascension Health. Today it is a subsidiary of Ascension, a parent holding company formed in 2012. Ascension Health Ventures' role has been to construct and manage a strategic portfolio of investments that deliver a venture investment return, have the potential to transform the healthcare industry and significantly enhance the experience for patients, their families and their caregivers. Ascension Health Ventures has three venture funds with \$550 million in committed capital under management and its limited partners include Ascension, Catholic Health East, Catholic Health Initiatives, Decatur Memorial Hospital, Dignity Health, Intermountain Healthcare and Mercy.

About Excel Venture Management

Excel Venture Management builds companies that apply transformative technologies to solve problems in healthcare and beyond. The Excel investment portfolio is balanced across healthcare IT and services, diagnostics, and medical devices, plus life science platforms that address adjacent markets including energy, chemicals, defense and agriculture. Excel's investments include leading companies such as Tetrphase Pharmaceuticals, Aileron Therapeutics, Cleveland Heart Lab, Synthetic Genomics, and IlluminOss. More information can be found at <http://www.excelvm.com>.

About Health Care Ventures, LLC

HealthCare Ventures (HCV) is a leading life science venture capital firm. Since its founding in 1985, HealthCare Ventures has raised \$1.6 billion in nine funds and has invested in 106 companies, 68 as startup ventures. The HCV team brings extensive, complementary experience both as investors and senior operating executives at biotechnology companies, and has had many notable successes in developing innovative pharmaceuticals and in achieving high value exits. More information can be found at <http://www.hcven.com>.

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