Cortendo and Antisense Therapeutics Announce Licensing Agreement for ATL1103 for Acromegaly

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May 14, 2015 – Goteborg, Sweden and Trevose, Pa., USA and Victoria, Australia – Cortendo AB (publ) [ticker: CORT on NOTC-A], a biopharmaceutical company focused on rare endocrine disorders and other rare diseases, and Antisense Therapeutics Limited [ticker: ANP on ASX] today announced that the companies have entered into an exclusive license agreement that provides Cortendo with development and commercialization rights to Antisense Therapeutics' ATL1103 for endocrinology applications.

Under the terms of the agreement, Cortendo will provide Antisense Therapeutics with an initial upfront payment of $5 million (AUD $6.2 million), consisting of $3 million (AUD $3.7 million) in cash and a $2 million (AUD $2.5 million) investment in Antisense Therapeutics equity. Additional payments, contingent upon achieving specific development and commercialization milestones, may total up to $105 million (AUD $131 million) over the lifetime of the agreement. There is also the potential for royalty payments based upon sales performance.

"Cortendo is dedicated to addressing the needs of the rare disease community, and we are focused on developing novel therapeutic options and resources for rare diseases that will make a difference for patients, their families and physicians. The opportunity to advance ATL1103, a novel second-generation antisense therapeutic with potential utility in acromegaly, nicely complements COR-003, our existing Phase 3 asset for Cushing's Syndrome, and builds upon our rare endocrine disease franchise," said Matthew Pauls, president and chief executive officer of Cortendo. "We are also continuing to actively explore other partnerships in endocrinology as well as other therapeutic areas for rare diseases," Pauls added.

Cortendo will be responsible for the ongoing clinical development of ATL1103 in endocrinology applications and will fund the associated future development, regulatory and drug manufacture costs. Antisense Therapeutics will retain commercialization rights for ATL1103 in endocrinology applications in Australia and New Zealand, and will also retain worldwide rights for other ATL1103 indications, and may utilize new ATL1103 data generated by Cortendo in pursuing these other indications, subject to certain terms and conditions.

"We are extremely pleased to deliver on our strategic partnering plans in endocrinology applications of ATL1103, and to be partnering with Cortendo given the company's focus in endocrine disorders and other rare diseases. This is a significant deal not only for Antisense Therapeutics and its shareholders, but also for the Australian biotech industry as a whole," said Mark Diamond, chief executive officer and managing director of Antisense Therapeutics. "We aim to unlock further value from our pipeline, including ATL1102 for MS and other potential indications for ATL1103," Diamond added.

Locust Walk and Destum Partners acted as Cortendo's and Antisense Therapeutics' transaction advisors, respectively, throughout the process.

About Antisense Therapeutics Limited
Antisense Therapeutics Limited is an Australian publicly listed biopharmaceutical drug discovery and development company. Its mission is to create, develop and commercialise second generation antisense pharmaceuticals for large unmet markets. Antisense Therapeutics has 4 products in its development pipeline that it has in-licensed from Isis Pharmaceuticals Inc. (ISIS), a world leader in antisense drug development and commercialisation - ATL1102 (injection) which has successfully completed a Phase II efficacy and safety trial, significantly reducing the number of brain lesions in patients with relapsing-remitting multiple sclerosis (RRMS), ATL1103 drug designed to block GHr production which in a Phase II clinical trial, successfully reduced blood IGF-1 levels in patients with the growth disorder acromegaly, ATL1102 (inhaled) which is at the pre-clinical research stage as a potential treatment for asthma and ATL1101 a second-generation antisense drug at the pre-clinical stage being investigated as a potential treatment for cancer.

About Cortendo AB

Cortendo AB is a biopharmaceutical company incorporated in Sweden and based in the United States. Cortendo's strategic focus is to be a leader in commercializing innovative medicines for rare endocrine disorders and other rare diseases. Cortendo's lead product candidate, COR-003 (levoketoconazole), is a cortisol inhibitor that is currently being studied in the global Phase 3 SONICS trial for the treatment of Cushing's syndrome. COR-003 (levoketoconazole) has received orphan designation from both the European Medicines Agency and the U.S. Food and Drug Administration. Cortendo's intent is to independently commercialize its Orphan/Endocrine assets in key global markets.

About ATL1103

ATL1103 is a second-generation antisense drug designed to block growth hormone receptor (GHr) expression thereby reducing levels of the hormone insulin-like growth factor-1 (IGF-1) in the blood and is a potential treatment for diseases associated with excessive growth hormone and IGF-1 action. These diseases include acromegaly, an abnormal growth disorder of organs, face, hands and feet, diabetic retinopathy, a common disease of the eye and a major cause of blindness, diabetic nephropathy, a common disease of the kidney and major cause of kidney failure, and some forms of cancer. Acromegalic patients have significantly higher blood IGF-1 levels than healthy individuals. Reduction of these levels to normal is accepted by clinical authorities as the primary marker of an effective drug treatment for the disease. GHr is a clinically validated target in the treatment of acromegaly. In the case of diabetic retinopathy, published clinical studies have shown that treatments producing a reduction in IGF-1 levels retarded the progression of the disease and improve vision in patients. Scientific papers have been published on the suppression of blood IGF-1 levels in mice (Tachas et al., 2006, J Endocrinol 189, 147-54) and inhibition of retinopathy in a mouse retinopathy model (Wilkinson-Berka et al., 2007, Molecular Vision 13, 1529- 38) using an antisense drug to inhibit the production of GHr. In a Phase I study in healthy subjects, ATL1103 demonstrated a preliminary indication of drug activity, including suppression of IGF-1 and the target GHr (via circulating growth hormone binding protein) levels. In a Phase II trial in acromegalic patients, ATL1103 met its primary efficacy endpoint by showing a statistically significant average reduction in sIGF-1 levels from baseline (P

Cortendo Forward-Looking Statements

This press release contains forward-looking statements concerning Cortendo that involve a number of risks and uncertainties. All statements other than statements of historical facts included in this press release, including, without limitation, statements regarding Cortendo's strategy, anticipated investments, outcomes of product development efforts and objectives of management for future operations, may be deemed to be forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Cortendo's actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted, whether expressed or implied, by these forward-looking statements. Given these risks and uncertainties, investors should not place any undue reliance on forward-looking statements as a prediction of actual results. None of these forward-looking statements constitutes a guarantee of the future occurrence of such facts and data or of actual results. These statements are based on data, assumptions and estimates that Cortendo believes are reasonable. The forward-looking statements contained in this document are made only as of the date hereof. Cortendo expressly disclaims any obligation or undertaking to release publicly any updates of any forward-looking statements contained in this press release to reflect any change in its actual results, assumptions, expectations or any change in events, factors, conditions or circumstances on which any forward-looking statement contained in this press release is based.

Antisense Therapeutics Forward-Looking Statements

This press release contains forward-looking statements concerning Antisense that involve a number of risks and uncertainties. All statements other than statements of historical facts included in this press release, including, without limitation, statements regarding Antisense's, strategy, anticipated investments, outcomes of products development efforts and objectives of management for future operations, may be deemed to be forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Antisense's actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted, whether expressed or implied, by these forward-looking statements. Given these risks and uncertainties, investors should not place any undue reliance on forward-looking statements as a prediction of actual results. None of these forward-looking statements constitutes a guarantee of the future occurrence of such facts and data or

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Antisense Therapeutics Risk and Uncertainty

Pharmaceutical R&D involves scientific uncertainty and long lead times. Risks inherent in these activities include uncertainty of the outcome of Antisense's research results; difficulties or delays in development of any of Antisense's drug candidates; and general uncertainty related to the scientific development of a new medical therapy.

Due to the significant costs in drug discovery and development it is common for biotechnology companies to partner with larger biotechnology or pharmaceutical companies to help progress drug development. There is no guarantee that the Antisense will be able to maintain such partnerships or license its products in the future.

Antisense will always remain subject to the material risk arising from the intense competition that exists in the pharmaceutical industry. One or more competitive products may be in human clinical development now or may enter into human clinical development in the future. Competitive products focusing on or directed at the same diseases or protein targets as those that Antisense is working on may be developed by pharmaceutical companies or other antisense drug companies including Isis or any of its other collaboration partners or licensees. Such products could prove more efficacious, safer, more cost effective or more acceptable to patients than Antisense's product.

Securing rights to technology and patents is an integral part of potential product value in the outcomes of pharmaceutical R&D. Antisense's success depends, in part, on its ability to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties.

Other risk factors include, but are not limited to, those discussed in the Antisense Therapeutics Limited Annual Report for the year ended 30 June 2014 and the Half Year Report for the period to 31 December 2014, copies of which are available from the company or at www.antisense.com.au.

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