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MBC PHARMA AND MAXWELL BIOTECH GROUP PARTNER TO CLINICALLY DEVELOP A NEW ANTI-TUMOR DRUG CANDIDATE MBC-11 TARGETING METASTATIC BONE DISEASE

Aurora, CO - MBC Pharma, Inc. ("MBC") and Maxwell Biotech Group (MBG), a well-known Russian biotech holding company, have finalized an agreement that has led to the formation of Osteros Biomedica, Ltd ("Osteros") - a joint venture focused on the development and commercialization of drugs for the treatment of cancer-induced bone disease. MBC Pharma has granted an exclusive license to Osteros of its lead compound MBC-11.

In early September the investment committee of Maxwell Biotech Venture Fund ("MBVF"), founded with the participation of the Russian Venture Company (RVC), approved the binding terms and the amount of an investment in Osteros.

Osteros is preparing to conduct a proof-of-concept clinical trial program in Russia for MBC-11, to test this innovative first-in-class drug's efficacy and safety in humans with multiple myeloma and other cancer induced bone diseases.

Alexander Karpeisky, President and Chief Scientific Officer of MBC Pharma, Inc., and Chief Scientific Adviser to Osteros Biomedica commented: "We are delighted to work with MBG - a partner providing expertise in clinical development in Russia as well as an intent towards global commercialization. We look forward to collaboration with Russian scientists and supporting Osteros to further develop and clinically test MBC-11, first-in-class drug, which is capable of delivery of chemotherapy to the sites of metastatic bone destruction."

Shawn Zinnen, Vice President of Research and Development at MBC Pharma, Inc. stated: "More than half of all carcinoma patients develop bone metastases, while current chemotherapies are unable to reach effective concentrations in the bone. And we are learning how critical the bone-environment is to cancer progression and how appropriate a drug target the skeleton is. All this indicates the need for drugs with can attack and kill bone-localized tumor cells; it is exciting to see a bone-targeted therapy like MBC-11 moving into clinical testing".

Chris Wiltshire, representing MBVF, said: "This new business model for the Maxwell Biotech fund that includes acquiring global rights and quickly undertaking proof-of-concept studies in humans is a natural extension of its existing investment strategy. This opportunity fits Maxwell Biotech's experience well, provides a manageable challenge, and success will now scale-up to global benefits, above all to patients around the world suffering from metastatic bone disease."

“This project will be the first to implement the effective targeted approach to the treatment of metastatic bone lesions through the use of innovative technological solutions. As with all projects funded by MBVF we plan to approach not only an important medical, but also serious social problems, associated with cancer” – said Nikolay Golub, Director General of Osteros.

MBC-11 is a synthetic chemical conjugate of a cytotoxic and a bone targeting agent, designed for the potential treatment of multiple myeloma, osteosarcoma, as well as other metastatic bone lesions.

About Osteros Biomedica

Osteros Biomedica, Ltd is a private Russian biotech company founded in 2012, and part of the biotech holding company, Maxwell Biotech Group. The Company’s main goal is to develop and commercialize innovative drugs for the treatment of cancer-induced bone disease. The company has the global rights to its first product, MBC-11.

About Maxwell Biotech Venture Fund

Maxwell Biotech Venture Fund formed with the participation of Russian Venture Company provides investment capital and access to an established infrastructure for conducting high-quality clinical trials in Russia, and helps enable the rapid and cost-effective achievement of clinical objectives. MBVF relies on an experienced international team of managers and financial and industry experts and has offices in Moscow and Boston.

About MBC Pharma, Inc.

MBC Pharma, Inc. is a private pharmaceutical company developing small molecule drugs for critical bone, oncological and viral diseases. MBC Pharma drug discovery programs are built upon proprietary bone-targeting and other tissue targeting technologies.

For information please contact: Alexander Karpeisky, Tel.: +1(720) 859-4041, E-mail: alkarp@mbcpharma.com