

Greetings Chemigen Team,

I wanted to provide an update on continued progress (as always not fast, but ok if the turtle wins the race).

We are 1/3 of the way through the Phase 1B trial of 21 ALS patients dosed for 7 days in 3 groups with escalating doses and 3 placebo controls. This is NIH funded through the orphan drug grant program which is a huge boost in our credibility and a potential pathway for further support. Enrollment will likely be completed in september and data analysis hopefully by end of the year. The Phase 1B is still only a safety study, but this time in patients with multiple doses rather than our previous study which was limited doses in healthy people. We are in hopes of getting some biomarker data from the study, but in ALS this is not guaranteed or straightforward in general and particularly with just 7 days of dosing.

On the finance side we have zero dollars in the bank and I have provided some substantial loans to the company to pay for patent fees etc. The crux moving forward is presuming good Phase 1B data (which I don't think will have any issues), then we need approximately \$750k to pay for a chronic toxicity study in dogs and mice which is a prerequisite to longer term dosing in patients. We would then need funds for the Phase 2 study in which we would be in hopes of demonstrating efficacy (the holy grail to get large scale funding/biopharma partnership). There is potentially followup funding from the NIH orphan drug grant program for a small phase 2, so to some degree I have less concern for that than I do for the chronic toxicity expenses.

That being said, there is an increased awareness of the bottleneck to drug development that some of the necessary but not exciting toxicity studies present. Craig Boyce, a Chemigen investor, is heavily involved with the ALS organizations and has provided many critical introductions for us to all the top decision makers in these organizations. The plan at the moment is to present our 1B data and a Phase 2 game plan to a variety of groups for possibly a collaborative funding situation where each alone doesn't want to foot the full expense, but as a group easier to spread the risk...of course no promises with any of this. The groups we are speaking with are the ALSA, MDA, Treat ALS, ALS Investment Fund, Dept of defense, and NIH.

My door is open at any time, if anyone would like more details or if anyone has other suggestions as this is a team effort to thread the needle of success. Thank you as always for your help in getting us this far.

Have a great summer. If work or vacation brings you to the midwest, please join me for a cup of coffee or a beer so we can catch up further.

Greg
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