

Providing a treatment option for the 2 million US heart failure patients in Class III/IV represents a \$6-10 billion market opportunity

**Fannin's Spring
Technology Forum**

**Friday, May 6th
8am**

Procyrion Marches Towards Aortix Human Trial in Q3

THE PACE OF ACTIVITY around Procyrion's portion of the Studio accelerated strongly this spring as the company locks down elements of its Aortix™ device and its upcoming trial protocols. "We have completed our design-for-manufacturing (DFM) activities and have begun manufacturing of the tools, as well as initiating pre-design-verification testing of those tools," said CEO Ben Hertzog. "The team is focused on all the steps needed, and we've initiated the contracting process for our two clinical sites in Asunción, Paraguay and at Duke University."



In the meantime, Procyrion's technology continues to draw national and local media attention, winning *Medical Device + Diagnostic Industry* magazine's "Medtech Startup Showdown 2016" by besting a range of competing technologies over multiple rounds before beating LineGard Med with 65% of the online popular vote.

Procyrion founder Dr. Reynolds Delgado also was featured heavily in the May issue of *Houstonia* magazine discussing his work with Fannin to help launch the company amidst the challenging environment facing local life science start-ups. Kudos from Fannin extend to the dedicated efforts of the management team.

Other big news for Procyrion was the addition to the Board of Gary Burbach, former CEO of Thoratec Corporation, a leading circulatory assist device company purchased for \$3.3 billion by St. Jude Medical in 2015. Thoratec is best known for its HeartMate line of left ventricular assist devices (LVADs). "It's quite a coup for Procyrion to attract someone of Gary's caliber and experience, and I'm looking forward to working with him and the team as the results of these important trials begin to be evaluated," said Board Member and Fannin Chairman Leo Linbeck III.

UPCOMING INDUSTRY EVENTS OF NOTE

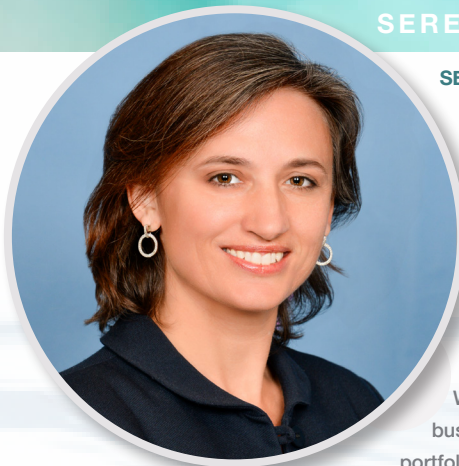
US China Innovation Alliance / CSTE
2016 US China Innovation and Investment Summit, May 16-17, 2016, Omni Houston
Who goes? >> US companies, Chinese investors in the US healthcare, biotech, energy, media and telecommunications sectors
What do you learn? >> The investment parameters of Chinese investors and entities, and a variety of new tech firms seeking funds.

Rice Alliance / BioHouston
2016 Texas Life Science Forum
May 26, 2016, Rice BRC - Houston
Who goes? >> Local start-ups, TMC executives, some VCs and local investors
What do you learn? >> An update on research in Houston institutions, trends in financing/deal making and presentations by companies seeking funding.

BIO International Convention 2016
June 6-9, 2016, San Francisco
Who goes? >> Biotech and pharma execs, investors, tech transfer, BD professionals
What do you learn? >> Networking, one-on-one partnership opportunities

FEATURED FANNIN TEAM MEMBER

SERENA MIGGINS, MA



SERENA SERVES AS BUSINESS OPERATIONS

MANAGER for Fannin Innovation Studio focusing on investor and public relations, operational flow, Fellow & Internship programs and Fannin's professional development program. Serena holds a dual-bachelors degree in French and Economics from the University of the South in Tennessee, and a master's degree in Applied Economics from Southern Methodist University. Serena joined Aquinas Companies in 2009, works directly with Mark Worscheh and Atul Varadhachary and supports the business, accounting and legal needs of Fannin and its portfolio companies. During her career, Serena has worked

in the fields of economic analysis, international consulting, and finance in Dallas, Washington, DC and Houston. Serena was born into a family of six children in Winnetka, IL and has lived in Houston for many years. She is a mother of three and enjoys literature, traveling, cooking and volunteers for various catholic and academic efforts.



HOUSTON'S MOLECULARMATCH this spring launched a series of web-based tools that are intended to match a patient's genetic information from his/her disease with appropriate therapy. The new tool, MM LAB, expands the existing search engine on the MolecularMatch website. "We've taken a time-consuming, manual task that usually happens after lab results are returned, and automated it with an intelligent, science-based, Google-like search," said MolecularMatch CEO Kevin Coker, a former McKesson executive. The core technology was spun out of MD Anderson in 2014, and the company raised ~\$4.0 million Series A and plans a \$10 million Series B this summer, according to Xconomy.

SWISS PHARMA SUPPLIER LONZA is developing a biotech facility in Pearland's Lower Kirby District for viral and immunotherapy development and manufacturing. To be completed in 2017, the facility will be on an 11-acre site and house 50 employees. The facility replaces Lonza's existing facility off Alameda Rd in Houston and was eagerly sought by the Pearland Economic Development Corp. Lonza, a global supplier, came to Houston in 2010 with its acquisition of Vivante GMP Solutions, which itself traces its origin to the former Introgen Therapeutics.

THE ROLL-OUT OF THE ACCELENT® orthodontic system by Bellaire's OrthoAccel continues apace, with a big expansion of the company's sales force. Led by former Fannin intern (and talented Rice MBA/Philips exec) Mike Lowe, the company's FDA-cleared, Class II device moves teeth up to 50% faster and with less discomfort. OrthoAccel is backed by HealthpointCapital and S3 Ventures, with seed funding in 2008 by the Texas Emerging Technology Fund (TETF).

ADHESYS MEDICAL is the new name of Medical Adhesive Revolution, a 2014 Rice Business Plan competition winner from Aachen, Germany that relocated here after winning top prize. Since then, President Alex Schüller has expanded his team, raised about \$2 million and continued the company's development of its biodegradable, polyurethane-based adhesives. The company is based in TMCx, and (like Procyron) won the Quick Fire challenge to receive a one-year complimentary residency at JLABS@TMC.

FANNIN PORTFOLIO UPDATES

- **ATRAPOS** - Atrapos is developing a novel small-molecule STAT5/6 inhibitor that continues to generate encouraging preclinical data in mouse models of asthma and fibrosis. We are seeing some interest in potential development partnerships including evaluating under confidentiality agreements by major pharmaceutical companies.
- **EXOTECT** - Exotect is developing small molecules to inhibit the mucus hypersecretion that plays an important role in several respiratory diseases including asthma, cystic fibrosis and COPD. We have identified hit-to-lead compounds with encouraging preliminary activity in a relevant animal model (airways of mice with IL-13-induced mucous metaplasia). We are currently working on developing a lead compound.
- **BREVITEST** - BreviTest is developing a portable analyzer for rapid point-of-care ELISA-based diagnostic testing. BreviTest recently began its Phase I SBIR-funded project, in collaboration with Cayman Chemical to develop a portable saliva test for THC, as a tool for highway law enforcement to detect intoxication in cannabis (marijuana) users.
- **ACELEROX** - Acclerox is developing the unique therapeutic nanoparticle that catalytically and selectively quenches reactive oxygen species (ROS). We have previously seen encouraging activity in animal models of rheumatoid arthritis, multiple sclerosis and stroke. Especially intriguing is recent efficacy data in animal models of Alzheimer's disease generated by one of our collaborators.