March 20, 2012

Mountain View, California

## SANBIO ANNOUNCES ENROLLMENT OF FIRST COHORT OF PATIENTS IN ITS CLINICAL TRIAL OF STEM CELL THERAPY FOR CHRONIC STROKE

SanBio Inc. today announced the successful enrollment of the first dose cohort of patients in its Phase 1/2a clinical trial testing the safety and efficacy of a novel allogeneic stem cell therapy product, SB623, in patients suffering from chronic deficits resulting from previous stroke injuries. The first 6 patients, of a total of 18, have been successfully administered SB623. The trial is being conducted at Stanford University and the University of Pittsburgh. No safety concerns have been reported. For details regarding this clinical trial, please refer to www.strokeclinicaltrial.org.

SB623 is derived from adult bone marrow and has shown safety and efficacy in rodent models of chronic stroke. "This represents a major milestone in the human clinical testing of this important new approach for regenerative medicine", said Keita Mori, SanBio Co-CEO. "We are pleased to learn that the initial dose level was well tolerated."

SB623 is being delivered to the damaged region of the brains of patients who have suffered an ischemic stroke. Product safety is the primary focus of the study but various measurements of efficacy are also being tested.

"The successful completion of the initial dose cohort is a major step in any first-in-human study", said Dr. Ernest Yankee, SanBio's Vice President of Development and Regulatory Affairs. "We are looking forward to initiating the next two dose cohorts and wrapping up the study. The safety findings thus far are very encouraging."

*About SB623:* SB623 is a proprietary cell therapy product consisting of cells derived from genetically engineered bone marrow stromal cells obtained from healthy adult donors. SB623 is administered adjacent to the area damaged by stroke and functions by producing proteins that aid the regenerative process.

*About SanBio:* SanBio is a privately held San Francisco Bay Area biotechnology company focused on the discovery and development of new regenerative cell therapy products.

For more information: <u>www.san-bio.com</u>.

Contacts: Keita Mori, CEO SanBio Inc. 231 S. Whisman Road Mountain View, CA 94041 650-625-8965 x 11 <u>Keita.mori@san-bio.com</u>