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ADVISORY COMMITTEE
of the Connecticut Bioscience Innovation Fund
Minutes – Regular Meeting
Thursday, September 20, 2018

A regular meeting of the **Connecticut Bioscience Innovation Fund** (“the Bioscience Fund”) **Advisory Committee** (the “Committee”) was held on September 20, 2018, in Drive at District, 470 James Street, New Haven, CT 06513.

Call to Order: Noting the presence of a quorum, Matt McCooe, chairperson of the Committee, called the meeting to order at 10:01 a.m.

Committee members present: Peter Farina, Ph.D.; Seth Feuerstein, M.D.; William LaRochelle, Ph.D.; Charles Lee, Ph.D.; Haifan Lin, Ph.D. (by phone); Matthew McCooe (CI); Alan Mendelson; Jon Soderstrom, Ph.D.; Catherine Smith, Commissioner of the CT Department of Economic and Community Development (by phone) and Sandra Weller, Ph.D.

Members absent: Yvonne Addo, Deputy Commissioner DPH and Kevin Rakin

Staff Attending: Whitney Brown, Ph.D. (CI by phone); Kevin Crowley (CI), Amanda Hayward (CI); Leslie Larson (CI); Peter Longo (CI by phone); Pauline Murphy (CI); Patrick O’Neill (CI by phone); Daniel Wagner (CI); Carrie White (CI); David Wurzer (CI); Ting Yi (CI).

Guests: Chris Loose, Ph.D. (Yale); Rick Stahl, M.D. (Quinnipiac University). Hadi Bozorgmanesh, Ph.D. (UConn); Janie Merkel, Ph.D. (Yale); Craig Crews, Ph.D. (Yale); Dennis Wright, Ph.D. (UConn); James Halpert (UConn).

Approval of Minutes:

Mr. McCooe asked the Committee members to consider the minutes from the August 15, 2018 regular meeting.

Upon a motion made by Dr. LaRochelle, seconded by Dr. Farina, the Advisory Committee members voted unanimously in favor of adopting the minutes from the August 15, 2018 meeting, as presented.

New Investment Proposal:

“Torigen Pharmaceuticals, Farmington, CT”

Mr. Crowley discussed the proposed new investment in a veterinary biopharmaceutical company. He further discussed the terms of investment, use of funds, the market, technology and product. A discussion ensued amongst the Committee.

Upon a motion made by Dr. Feuerstein, seconded by Dr. Farina, the Advisory Committee members voted unanimously in favor of approving the following resolution:

RESOLVED:

(1) that financing is approved by the Connecticut Bioscience Innovation Fund, Inc. ("CBIF") for TORIGEN PHAMACEUTICALS, INC. in an amount of up to ONE MILLION DOLLARS (\$1,000,000) and conversion of any existing convertible notes and interest for clinical studies, research and development, sales and marketing, consulting and working capital; and

(2) that Matthew McCooe, Chief Executive Officer; David Wurzer, Executive Vice President & Chief Investment Officer; Philip Siuta, Senior Vice President, Chief Financial Officer & Chief Operating Officer; or Peter Longo, Senior Managing Director, Investments, each an "Authorized Signatory", are authorized to execute and deliver for and on behalf of CBIF such agreements and related documents to cause such investment to be effected, which documents shall (a) be executed by CI no later than March 31, 2019; and (b) contain such terms and conditions as the Authorized Signatory shall deem to be in the best interests of CBIF, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the Agreement; and

(3) that the Authorized Signatories hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above-mentioned Agreement.

Follow on Investment Proposals:

"Cybrexa Inc., New Haven, CT"

Mr. Wagner and Ms. White discussed the terms of this proposed follow-on investment, the nature of business, use of funds and a company summary. Discussion ensued amongst the Committee members.

Upon a motion made by Dr. Feuerstein, seconded by Dr. LaRochelle, the Advisory Committee members voted in favor of approving the following resolution: Voted Against: Dr. Lee; Abstained: Mr. Mendelson, Dr. Soderstrom.

RESOLVED:

- (1) that financing is approved by Connecticut Bioscience Innovation Fund (“CBIF”) for Cybrexa, Inc., of New Haven, CT in an amount of up to SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000) for the purpose of technology development, commercialization, and working capital; and**
- (2) that Matthew McCooe, Chief Executive Officer; David Wurzer, Executive Vice President & Chief Investment Officer; Philip Siuta, Senior Vice President, Chief Financial Officer & Chief Operating Officer; or Peter Longo, Senior Managing Director, Investments, each an “Authorized Signatory”, are authorized to execute and deliver for and on behalf of CBIF such agreements and related documents to cause such investment to be effected, which documents shall (a) be executed by CI no later than March 31, 2019; and (b) contain such terms and conditions as the Authorized Signatory shall deem to be in the best interests of CBIF , including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Signatory’s approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the Agreement; and**
- (3) that the Authorized Signatories hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above-mentioned Agreement.**

“Kleo Pharmaceuticals, Inc., New Haven, CT”

Mr. Wagner discussed the proposed follow-on investment by providing a company snapshot, the investment history and summary of terms, milestones to date and the leadership team.

Upon a motion made by Dr. Weller, seconded by Dr. Farina, the Advisory Committee members voted in favor of going into executive session at 10:51 a.m. to discuss financial and/or commercial information and/or trade secrets regarding Kleo Pharmaceuticals.

The executive session ended at 10:59 a.m. and the regular meeting was immediately reconvened.

Noting a potential conflict of interest, Dr. Soderstrom left the room, and recused himself from the subsequent Advisory Committee discussion of the Kleo Pharmaceuticals proposal.

A discussion took place amongst the committee members.

Mr. Soderstrom rejoined the meeting at 11:05.

Upon a motion made by Mr. McCooe, seconded by Dr. Lin, to approve an investment in Kleo Pharmaceuticals, the Advisory Committee members voted, NOT to approve an investment in Kleo Pharmaceuticals at this time, as follows: Voted for an investment: Dr. LaRoche, Mr. McCooe, Dr. Lin; Voted against an investment: Dr. Farina, Dr. Lee, Mr. Mendelson, Dr. Weller; Abstained: Dr. Feuerstein, Dr. Soderstrom.

“Mininvasive, New Haven, CT”

Mr. Crowley presented a company summary and funding request, the company progress to date, proof of concept and the sales and marketing strategy. Discussion followed.

Upon a motion made by Dr. Soderstrom, seconded by Dr. Lee, the Advisory Committee members voted unanimously in favor of approving the following resolution:

RESOLVED:

(1) that financing is approved by the Connecticut Bioscience Innovation Fund (“CBIF”) for MinInvasive Ltd. in an amount of up to FIVE HUNDRED THOUSAND DOLLARS (\$500,000) for U.S. commercialization activities manufacturing and working capital in CT; and

(2) that Matthew McCooe, Chief Executive Officer; David Wurzer, Executive Vice President & Chief Investment Officer; Philip Siuta, Senior Vice President, Chief Financial Officer & Chief Operating Officer; or Peter Longo, Senior Managing Director, Investments, each an “Authorized Signatory”, are authorized to execute and deliver for and on behalf of CBIF such agreements and related documents to cause such investment to be effected, which documents shall (a) be executed by CI no later than March 31, 2019; and (b) contain such terms and conditions as the Authorized Signatory shall deem to be in the best interests of CBIF, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Signatory’s approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the Agreement; and

(3) that the Authorized Signatories hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above-mentioned Agreement.

Dr. LaRoche left the meeting.

Other Business:

“DuraBiotech, Storrs, CT”

Mr. O'Neill discussed the offer new investors proposed and our decision to convert our previous investments. CI recommends waiving the Company's CT Presence obligations to allow the Company to close on a new round of investment.

Upon a motion made by Dr. Soderstrom, seconded by Mr. Mendelson, the Advisory Committee members voted unanimously in favor of approving the following resolution:

RESOLVED:

(1) that a waiver of the CT Presence Agreement is approved by Connecticut Bioscience Innovation Fund (“CBIF”) for Dura Bioscience, LLC to allow the Company to close a new round of investment; and

(2) that the conversion of the existing CBIF note into the proposed financing is approved; and

(3) that Matthew McCooe, Chief Executive Officer; David Wurzer, Executive Vice President & Chief Investment Officer; Philip Siuta, Senior Vice President, Chief Financial Officer & Chief Operating Officer; or Peter Longo, Senior Managing Director, Investments, each an “Authorized Signatory”, are authorized to execute and deliver for and on behalf of CBIF such agreements and related documents to cause such waiver and conversion to be effected, which documents shall (a) be executed by CI no later than March 31, 2019; and (b) contain such terms and conditions as the Authorized Signatory shall deem to be in the best interests of CBIF, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the Agreement; and

(4) that the Authorized Signatories hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above-mentioned agreements.

“Summit Street Medical, Wallingford, CT”

Ms. Murphy gave a company overview including the accomplishments since last funding, the terms of investment and use of funds. A discussion ensued amongst the Committee members.

Upon a motion made by Dr. Feuerstein, seconded by Dr. Farina, the Advisory Committee members voted unanimously in favor of approving the following resolution: Abstained: Mr. Mendelson

RESOLVED:

(1) that financing is approved by the Connecticut Bioscience Innovation Fund ("CBIF") for Summit Street Medical, LLC. of Wallingford, CT in an amount of up to FIVE HUNDRED THOUSAND DOLLARS (\$500,000) for product development, regulatory, IP, personnel and working capital; and

(2) that Matthew McCooe, Chief Executive Officer; David Wurzer, Executive Vice President & Chief Investment Officer; Philip Siuta, Senior Vice President, Chief Financial Officer & Chief Operating Officer; or Peter Longo, Senior Managing Director, Investments, each an "Authorized Signatory", are authorized to execute and deliver for and on behalf of CBIF such agreements and related documents to cause such investment to be effected, which documents shall (a) be executed by CI no later than March 31, 2019; and (b) contain such terms and conditions as the Authorized Signatory shall deem to be in the best interests of CBIF, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the Agreement; and

(3) that the Authorized Signatories hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above-mentioned Agreement.

Dr. Lin left the meeting.

Other Business:

Mr. McCooe and Mr. Wurzer discussed with the Committee the potential impact on company funding from the increase in grant requests and presented a summary of actual and projected results. A discussion ensued amongst the Committee members regarding the goals of this fund today and in the future.

Ms. Smith joined the call.

Bioscience Pipeline Program Presentation:

The Bioscience Pipeline team gave an update of the program; providing an overview of the program and review process, the summary of key performance metrics, current status, awards funded thus far, and discussed the long-term vision of the program. Dr. Loose reviewed the program budget and the awarded amounts distributed to each university to date. He presented the request to extend pilot program for two additional

years at the same scale of \$500,000/year. The presentation was followed by a discussion amongst committee members.

Upon a motion made by Commissioner Smith, seconded by Dr. Farina, the Advisory Committee members voted unanimously in favor of approving up to ONE MILLION DOLLARS (1,000,000) in funding to the Bioscience Pipeline Program, but voted to withhold funding of allocated indirect costs of 13.4%.

PITCH Presentation:

The PITCH team shared their science to venture results over the past 2½ years of funding. They discussed their 5 solid star companies and the 6 companies on deck. The presentation was followed by a question and answer session and further discussion amongst Committee members.

Upon a motion made by Mr. McCooe, seconded by Commissioner Smith, the Advisory Committee members voted in favor of approving the following resolution: Voted Against: Dr. Lee; Abstained: Dr. Soderstrom, Dr. Weller.

RESOLVED:

(1) that financing is approved by the Connecticut Bioscience Innovation Fund, Inc. ("CBIF") for PITCH, for one additional year, at the current spending rate of THREE MILLION THREE HUNDRED THIRTY-THREE THOUSAND THREE HUNDRED THIRTY-THREE DOLLARS (\$3,333,333). If the PITCH team demonstrates they are finalizing legal documents for a contract with outside funding to carry PITCH post-January 1, 2020, then the Committee will approve up to one (and only one) more quarter of funding at the same rate as in prior quarters, in order to keep PITCH efforts going until contracts are executed. In the interim, the investment is for the purpose of continued funding of the PITCH lead candidate generation program, subject to meeting milestones during 2019; and

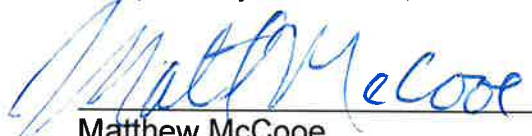
(2) that Matthew McCooe, Chief Executive Officer; David Wurzer, Executive Vice President & Chief Investment Officer; Philip Siuta, Senior Vice President, Chief Financial Officer & Chief Operating Officer; or Peter Longo, Senior Managing Director, Investments, each an "Authorized Signatory", are authorized to execute and deliver for and on behalf of CBIF such agreements and related documents to cause such investment to be effected, which documents shall (a) be executed by CI no later than March 31, 2019; and (b) contain such terms and conditions as the Authorized Signatory shall deem to be in the best interests of CBIF, including terms and conditions relating to the matters described in Section 6 of the Regulations, the Authorized Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the Agreement; and

(3) that the Authorized Signatories hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above-mentioned Agreement.

Adjournment:

Upon a motion made by Dr. Soderstrom, seconded by Dr. Weller, the Advisory Committee members voted unanimously in favor of adjourning the meeting at 1:05 p.m.

Respectfully Submitted,



Matthew McCooe
Chairperson