

FACIT Startup Turnstone Biologics Closes \$11M Financing, Secures Additional Capital Commitment, and Adds Strong Management

Versant Ventures-led investment accelerates development, broadens oncolytic viral immunotherapy potential

TORONTO, ON (October 28, 2015) –Turnstone Biologics Inc. (“Turnstone” or the “Company”), a FACIT-incubated startup, has completed its \$11.3 million Series A financing round led by Versant Ventures (“Versant”) with follow-on capital committed in excess of \$20.0 million. The financing enabled the Company to appoint Sammy J. Farah, PhD, MBA as Chief Executive Officer and Brian D. Lichty, PhD as Chief Technology Officer. Turnstone develops novel oncolytic viral immunotherapies that both attack tumour cells in a targeted manner and enable the patient’s own immune system to be harnessed to fight cancer. The Company previously announced an ongoing landmark Phase I/II clinical trial in patients with advanced or metastatic solid tumours. Proceeds from the financing will enable expansion of operations in Ontario and a broader clinical development strategy.

Bolstering Turnstone’s leadership team with talented and highly qualified management, Dr. Farah is an experienced vaccine executive, while as a founding scientist of the Company Dr. Lichty possesses leading expertise in oncolytic viral therapies. In conjunction with this investment, Versant Partner Jerel Davis, PhD and Managing Director Brad Bolzon, PhD will join the Company’s board of directors. Founding investor FACIT also participated in the round.

“I am delighted to join Turnstone’s dedicated team in helping to advance a transformative technology that will positively impact a broad range of cancer patients,” said Dr. Farah. “With an established leadership in oncolytic viral immunotherapy, and a high content clinical trial for the first product candidate already in progress, Turnstone is in an advantaged position to significantly influence the immuno-oncology landscape.”

Turnstone’s platform is a unique and first-in-class approach that combines the benefits of oncolytic viral therapy with a tumour-targeted vaccine, into a single intravenously-delivered treatment to stimulate and direct a patient’s immune response to tumours. The platform possesses many distinguishing qualities that previous oncolytic virus and vaccine products have lacked, including systemic administration, production of significant durable T-cell responses, and ease of manufacturing. Importantly, preclinical studies in mice and primates have demonstrated unprecedented immune responses against a range of tumours. In expanding the clinical strategy, the Company will advance development in multiple disease indications and in combination with other cancer immunotherapies.

The completed financing underscores the strength and quality of the developmental work completed to date, the opportunities associated with expanding the boundaries of immuno-oncology therapies, and the recent clinical validation of oncolytic viruses. The investment is also another important example building on the translational vision of FACIT to cultivate and promote growth in Ontario’s economy, support improvements in patient care and attract world-class investors to the province’s innovative oncology assets.

“We are very pleased to have concluded this financing with an experienced venture capital firm of Versant’s calibre, and to be able to enhance the Company’s leadership with compelling management,” said Jeff Courtney, Chief Commercial Officer of FACIT and Turnstone’s founding investor. “Versant’s commitment provides valuable development and commercialization resources given the depth of its extensive network and expertise. This investment enables an aggressive growth strategy to be pursued to fully exploit the commercial potential of the Company’s pipeline.”

About FACIT

FACIT is an independent business trust established by the Ontario Institute for Cancer Research to undertake development and commercialization activities related to cancer research, products and drug discovery. For more information, please visit the website at facit.ca or email info@facit.ca.

About Turnstone Biologics

Turnstone Biologics Inc. is a biotechnology company focused on developing novel oncolytic viral immunotherapies for cancer. Turnstone's therapeutic platform is a first-in-class tumour-targeted oncolytic vaccine that combines potent tumour-killing effects of oncolytic viruses with the benefits of a cancer vaccine that harnesses the patient's own immune system to fight disease in a sustainable manner. The Company's platform leverages the innovations and expertise of its renowned founding scientists, Drs. John Bell, Brian Lichty and David Stojdl. Turnstone is also developing additional oncolytic virus strategies and immunotherapy combination treatments. For more information, please visit www.turnstonebio.com or email info@turnstonebio.com.

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