

FACIT announces follow-on investments in Xpan Inc. and Nanology Labs through Compass Rose Fund

Prospects proof-of-concept funding elevates Ontario companies to seed stage investment

TORONTO, ON (January 28, 2020) – FACIT, a commercialization venture firm focused on advancing Ontario’s top-tier oncology innovations, announced new follow-on investments in start-ups Xpan Inc. (“Xpan”) and Nanology Labs (“Nanology”). Spun out of the University of Toronto, both start-ups have previously received funding through FACIT’s proof-of-concept Prospects Fund that enabled the companies to address key commercialization challenges. Upon successfully achieving initial business targets, these start-ups and their respective technologies have been elevated to an equity-based investment through FACIT’s seed stage Compass Rose Fund.

Xpan has developed a patent-pending trocar that is less invasive yet expandable, aiming to reduce risk of serious complications, cost and intraoperative inefficiencies in minimally invasive surgical oncology procedures. Xpan has an aggressive goal to reach the market in under two years, and has garnered considerable KOL support from both north and south of the border. “We are at a pivotal moment in our company’s development, and are fortunate to benefit from FACIT’s continued support and resources which are fueling Xpan’s growth and accelerating our journey to commercialization,” said Mr. Zaid Atto, Founder and CEO of Xpan.

Nanology has developed a first-in-class theranostic agent enabling real-time tumor detection and radio-sensitization. In animal models, this agent is safer and more sensitive than MRI contrast agents currently available. It simultaneously oxygenates the tumor area leading to an improvement in radiation therapy efficacy. “FACIT’s follow-on investment is critical in enabling our technology to reach its next inflection point, moving closer to the clinic and positioning our company for further investment,” said Dr. Mohammad Ali Amini, Co-Founder and CEO of Nanology.

FACIT’s investment programs are a unique source of Ontario First capital for promising early stage oncology innovations, with the goal of enabling further local development and cultivation of local skilled and entrepreneurial talent. The follow-on investments illustrate FACIT’s strategy to support early start-ups through Funds matched to the maturity of the company and to help ensure promising companies grow roots and scale up in Ontario.

In addition to being Prospects Fund recipients, both companies were finalists in FACIT’s previous Falcons’ Fortunes pitch competitions, with Xpan winning the 2019 competition. “We are pleased to support any promising technology that will impact patients with cancer. Here however, having both companies advance through all three of FACIT’s funding initiatives is both rewarding and exciting, as it shows these teams’ commitment and ability to execute,” remarked Dr. David O’Neill, President of FACIT. “We are grateful for our strategic partner, the Ontario Institute for Cancer Research, and the Government of Ontario’s support of our investment programs, ensuring great science and strong entrepreneurs have a translational pathway to Ontario patients.”

“We are proud to celebrate these made-in-Ontario scientific discoveries and support their commercialization,” said Ross Romano, Ontario’s Minister of Colleges and Universities. “These investments will help drive further innovation in the province’s growing biotech ecosystem, and ultimately, benefit Ontarians who are fighting cancer.”

About FACIT

FACIT is a commercialization venture firm that builds companies with entrepreneurs to accelerate oncology innovation, with a portfolio that has attracted over \$850 million in investment to Ontario. Blending industry experience, capital and the unsurpassed clinician-scientist network of its strategic partner the Ontario Institute for Cancer Research (OICR), FACIT capitalizes on the province’s investment in research and healthcare to the benefit of the local economy and patients worldwide. FACIT’s commercialization portfolio includes Turnstone Biologics, Fusion Pharmaceuticals, Triphase Accelerator and other biotechnology organizations. *Cancer Breakthroughs. Realized.* facit.ca.

About Xpan Inc.

Xpan Inc., a spin-out from the University of Toronto, has developed a patent-pending trocar that is less invasive yet expandable which promises to reduce risk of complications, cost and inefficiencies associated with the use of these devices in minimally invasive surgeries.

About Nanology Labs

Nanology Labs has developed a low toxicity MRI contrast agent which circumvents the limitations of other agents currently available. The agent, Mangescan™, uses nanoparticles containing the element manganese to illuminate early stage tumors, including those in the brain. Improved detection provides clinicians with the information to make better treatment plans and potentially improve patient outcomes.

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