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## **GeneTether Therapeutics Announces Binding Term Sheet For Private Placement of Units and Exclusive License Agreement of Soft Tissue Sarcoma Drug Candidate**

KELOWNA, BC & SAN JUAN, PR – GeneTether Therapeutics Inc. (CSE: GTTX) (“**GeneTether**” or the “**Company**”) today announced entry into a binding term sheet (the “**Term Sheet**”) with EGB Ventures (through its operating entity) (“**EGB**”) pursuant to which EGB would grant the Company an exclusive license of EGB’s STS-201, a small molecule that has exhibited significant utility in soft tissue sarcoma, as well as other types of cancers and certain proliferative diseases. In connection with and contingent on completion of the transactions outlined in the Term Sheet, including entering into a definitive license agreement with EGB (the “**License**”), GeneTether intends to complete a non-brokered private placement to raise gross proceeds of a minimum C\$250,000 and up to a maximum of C\$500,000 (the “**Private Placement**”). As discussed below, each of the License and the Private Placement is a “related party transaction” and their completion is contingent on minority shareholder approval at GeneTether’s annual general and special meeting of shareholders scheduled for December 12, 2024 (the “**Meeting**”). Closing of both transactions is anticipated to occur immediately following such approval. Entry into the Term Sheet by GeneTether was approved by an independent special committee of its board of directors.

“As a result of a lengthy and extensive search for assets or business combinations that align with our strategic vision, we are thrilled to announce the licensing of STS-201,” said Roland Boivin, CEO of GeneTether Therapeutics. “STS-201 has a promising history of clinical use in Europe, and we believe that this asset presents a significant opportunity to unlock value for our shareholders. With its therapeutic potential in soft tissue sarcoma and beyond, STS-201 represents a unique opportunity to advance our mission and deliver impactful solutions to patients in need.”

### **John Rothman, Ph.D. Engaged as Chief Scientific Officer**

As part of the License, GeneTether will agree to engage John Rothman, Ph.D., as its consulting Chief Scientific Officer. Dr. Rothman brings over 30 years of experience in product development across various therapeutic areas and markets. In addition to serving as the Chief Scientific Officer of EGB portfolio company Race Oncology (ASX: RAC), he has previously served as a clinical scientist and in senior executive positions at numerous pharmaceutical and biopharmaceutical companies, including Schering-Plough and Roche, where he was the Senior Director of Clinical Drug Development with responsibilities for all data collection, analysis, and reporting for Roche’s portfolio. He oversaw the first clinical trial in AIDS and has managed the development of numerous marketed drugs, including Interferon, Rocephin, and Versed.

Dr. Rothman studied for his Ph.D. in Pharmacology at Tulane University School of Medicine in the laboratory of Dr. Louis Ignarro (Nobel Prize in Medicine – 1998). He conducted his

dissertation research at the New Orleans VA Hospital in the laboratory of Dr. Andrew Schally and was a graduate student there when Dr. Schally won the Nobel Prize in Medicine in 1977.

### **Terms of the License**

Under the terms of the License, EGB will grant GeneTether an exclusive global license to develop and commercialize STS-201. EGB, or its designates, will receive 12,000,000 shares of GeneTether's common stock (each a "**Common Share**") and US\$150,000 in upfront payments and annual payments of US\$150,000. Additionally, EGB will receive a 33% royalty of aggregate net sales of STS-201 and 33% of any consideration received from the sale or other monetization of any pediatric review vouchers obtained by GeneTether.

### **Terms of the Private Placement**

The Private Placement will consist of a minimum 12,500,000 and up to a maximum of 25,000,000 units (the "**Units**") at a price of C\$0.02 per Unit, a 17% premium over the 20-day VWAP, to raise gross proceeds of a minimum C\$250,000 and up to a maximum of C\$500,000. Each Unit consists of one Common Share and one Common Share purchase warrant (each, a "**Warrant**"). Each Warrant entitles the holder to acquire one additional Common Share at a price of C\$0.05 per Common Share for a period of 36 months from the date of issuance. The proceeds of the Private Placement will be used to advance the STS-201 program and for general working capital purposes. Closing of the Private Placement is subject to receipt of all necessary corporate and regulatory approvals, including the approval of the Canadian Securities Exchange (the "**CSE**"). The securities issued pursuant to the Private Placement will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation. The Warrants will not be listed on any exchange. No finders' fees will be payable under the Private Placement.

### **About Soft Tissue Sarcoma**

Soft tissue sarcomas are a rare, diverse and often rapidly fatal group of tumors consisting of more than 100 different subtypes that are estimated to account for about 1% of all cancers in adults and 7% in children. Treatment of STS is an immediate unmet medical need. STS tumors can occur anywhere within the body, including muscle, fat, nerves, vascular tissue, and other connective tissues. Median survival after development of distant metastases is estimated to be 11 to 18 months, but this varies significantly based on primary histologic subtype and treatment paradigms. Based on the prevalence of STS in the United States, GeneTether and EGB believe it is a rare disease and that STS-201 for the treatment of STS may qualify for Orphan Drug status.

### **Related Party Transaction**

The License and the Private Placement each constitute a "related party transaction" as such term is defined under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") as William Garner, M.D., an insider and a director of the Company, is the principal of EGB, the entity licensing STS-201 to the Company, and is also expected to participate in the Private Placement, acquiring an aggregate of 12,500,000 Units on the same basis

as other subscribers. The Company intends to rely on the exemption from the formal valuation requirements of MI 61-101 contained in section 5.5(b) of MI 61-101 in respect of the License and the related party participation in the Private Placement. The Company intends to seek minority shareholder approval of the License and the related party participation in the Private Placement in accordance with Section 8 of MI 61-101 at the Meeting. Further details of these transaction will be included in the management information circular prepared by the Company in connection with the Meeting. The Term Sheet and the Private Placement were approved by the board of directors of the Company, with conflicted director(s) abstaining from the vote in respect thereof.

In accordance with CSE Policy 6 – *Distributions & Corporate Finance*, the Company may complete a private placement at a price lower than \$0.05 provided that: the price must not be lower than the volume weighted-average-price for the previous 20 trading days, as determined by the CSE; proceeds are to be used for working capital or bona fide debt settlement; and the price must be reserved and approved by the CSE in advance of closing. On October 10, 2024, the Company filed a price reservation, on a confidential basis, with the CSE, which price has been reserved.

CSE Policy 4 requires that, if related parties are involved in a proposed issuance of securities, security holders must approve a proposed securities offering if the price is lower than the market price less the maximum permitted discount, regardless of the number of shares to be issued, and any related party of the Company that has a material interest in the transaction may not vote on any resolution to approve the proposed Private Placement. Accordingly, Common Shares currently held by the EBG, William Garner, M.D. or any insiders of the Company will not be considered in respect of the resolution of shareholders to approve the proposed Private Placement.

### **Option Grant**

The Company announces that it has granted incentive stock options to certain directors of the Company, entitling the holders to acquire an aggregate of 525,000 Common Shares at an exercise price of \$0.05/share and expiring on September 23, 2034.

### **About GeneTether Therapeutics**

GeneTether Therapeutics is a CSE-listed biopharmaceutical company based in Kelowna, British Columbia. For more information regarding GeneTether, please visit [www.genetether.com](http://www.genetether.com) and its profile page on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).

### **About EGB Ventures**

EGB Ventures is a venture capital firm focused on translating undervalued life science assets into public-traded companies. Founded by William J. Garner, M.D., EGB operates out of San Juan, Puerto Rico and has portfolio operations globally, including in North America, Australia, and Europe.

## Forward-Looking Statements

This news release contains statements that constitute "forward-looking statements." Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause GeneTether's actual results, performance or achievements, or developments in the industry to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential" and similar expressions, or that events or conditions "will," "would," "may," "could" or "should" occur. Forward-looking statements in this document include the expectation that the Company will obtain the License, its expectations that it will complete the Private Placement and the use of proceeds therefrom, the expectation that the Company will receive shareholder and regulatory approval for the License and the Private Placement and all other statements that are not statements of historical fact.

Although GeneTether believes the forward-looking information contained in this news release is reasonable based on information available on the date hereof, by their nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Examples of such assumptions, risks and uncertainties include, without limitation, assumptions, risks and uncertainties associated with general economic conditions; adverse industry events; future legislative and regulatory developments; the Company's ability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favorable terms; the ability of GeneTether to implement its business strategies; competition; the ability of GeneTether to obtain and retain all applicable regulatory and other approvals and other assumptions, risks and uncertainties, including those set forth under the heading "Risk Factors" in the Company's final prospectus dated March 21, 2022.

**THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS NEWS RELEASE REPRESENTS THE EXPECTATIONS OF THE COMPANY AS OF THE DATE OF THIS NEWS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.**

*The Canadian Securities Exchange nor its Regulation Service has approved nor disapproved the contents of this news release.*

This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities of the Company in any jurisdiction in which such offer, solicitation or sale would be

unlawful. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any U.S. state securities law and may not be offered or sold in the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws or pursuant to an exemption therefrom.