



December 6, 2024

### **GeneTether Therapeutics Provides Supplementary Information Concerning License Agreement**

Kelowna, BC – GeneTether Therapeutics Inc. (CSE: GTTX) (“**GeneTether**” or the “**Company**”) is pleased to provide additional information concerning its previously announced transaction pursuant to which EGB Ventures (through its operating entity) (“**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 (the “**Transaction**”). Disclosure concerning the Transaction is set forth in the Company’s management information circular dated November 10, 2024, which has been prepared in connection with an annual general and special meeting of GeneTether’s shareholders scheduled for December 12, 2024 (the “**Meeting**”).

Prior to determining to proceed with the Transaction, and commencing in early February 2023, the Company conducted a lengthy and extensive search for a strategic transaction that aligned with the Company’s goal of maximizing shareholder value. To facilitate this process, on June 7, 2023, the Company appointed a special committee of the board of directors (the “**Special Committee**”) comprised of Gage Jull, Daren Graham and Andre Pereira Fraga Figueiredo. On August 28, 2024, and as a result of a potential conflict of interest arising from Mr. Graham’s role as Chief Operating Officer of EGB, the Special Committee was reconstituted to comprise Gage Jull, Roland Boivin and Andre Pereira Fraga Figueiredo. In total, the Special Committee considered approximately 65 potential transactions. Generally, the Special Committee found one or more of the following during the review of each potential transaction:

- very early-stage assets, typically pre-clinical in the life science industry or exploration phase in the natural resources industries, that, in the Special Committee’s judgment, would not be viable in the public markets under current economic conditions;
- capital requirements beyond the combination of the Company’s cash and additional cash that the Company could reasonably expect to raise in the current economic environment; and
- valuation requirements of the counterparty (in the case of potential business combination transactions) that would result in a level of dilution to existing investors beyond amounts deemed reasonable.

In August 2024, after approximately 18 months of pursuing this process with limited success, the Special Committee, particularly, Mr. Jull, made an inquiry to EGB as to whether STS-201 would be available for licensing by the Company. Upon receiving an indication of interest from EGB, the parties commenced formal negotiations, which culminated in binding term sheet being entered into on October 11, 2024.

The Special Committee determined that the STS-201 program was a viable asset due to its prior approvals for and significant clinical history in Europe for the treatment of certain types of cancers, as well as psoriasis. This history has the benefit of providing a robust data set regarding both efficacy and safety,

which can reasonably be expected to reduce the time and expense required to develop the asset. Additionally, the capital requirements to make advancements in the program are expected to be within the Company's ability to finance through a combination of its existing cash and its previously announced private placement. The Special Committee also engaged a U.S.-based PhD-level pharmacologist with over 40 years of experience in the life science industry to review and issue a report on the suitability of the STS-201 program for a licensing transaction. Following a review of available due diligence material, a favorable report that is supportive of the transaction was issued to the Special Committee by the consultant.

In reaching its determination that the consideration to be paid for the license was appropriate in the circumstances, the Special Committee, among other things, reviewed a broad sample of life science transactions involving publicly-listed shell companies.

Following a determination by the Special Committee to pursue a license of the STS-201 program, a multi-week, arms-length negotiation took place between the Special Committee and EGB. The negotiations resulted in a significant portion of EGB's economic interests being transferred to post-drug approval (i.e. royalties on product sales and a portion of any monetization of a Priority Review Voucher). This change in terms significantly shifted a significant amount of potential near and medium-term economic benefits to the existing shareholders of the Company, while reducing the dilution incurred by those shareholders and increasing EGB's risk.

In addition, the Special Committee successfully negotiated to have the annual, escalating R&D expenditure requirements changed to a minimum expenditure. Upon the Company reaching such threshold, EGB's right to retake the STS-201 program due to failure to advance will be terminated. The Special Committee considers the minimum expenditure required to be within the Company's ability to reasonably meet.

### **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 STS-201 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.*