RIVERVEST® NEWS

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IDev Technologies: RiverVest leads investment in promising treatment for peripheral artery disease

RiverVest Venture Partners® recently led a $19 million Series B financing round for IDev Technologies, Inc., an emerging leader in the treatment of peripheral artery disease (PAD) through the development and marketing of the SUPERA™ stent system. Joining RiverVest in the Series B round was Bay City Capital, a San Francisco-based venture capital firm.

In the U.S. alone, over 10 million people have PAD. "This rapidly expanding global market is already greater than $500 million," said Dennis Wahr, M.D. and managing director of RiverVest, who was appointed to the IDev Board of Directors. "The potential market for IDev's SUPERA™ stent is estimated at over $1 billion in the U.S. alone." The device has received FDA 510(k) approval for biliary track stenting, but is not yet approved for peripheral vascular use in the U.S.

"In developing the SUPERA™ stent system, we focused on the major shortcomings of the existing stent technology," said Thomas M. Tully, chairman and CEO of IDev Technologies, Inc. "Increasing radial strength to hold arteries open and avoid collapse, providing flexibility to allow for bending, twisting and kinking of the product in a very active area of the body, and the ability to recover and redeploy the stent during procedures through the delivery system were top priorities." In extensive engineering bench fatigue studies, the SUPERA™ stent was found to be more than four times the strength of the next best product available, and completed a 10 million-cycle, 120-degree extension/bending test with no stent fractures.

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Thomas M. Tully, CEO and chairman of IDev

"A redesign of the delivery system has produced the Precision™ Catheter, which will be submitted shortly for FDA approval," said Tully. "This will be the only system available that will allow the physician to recover and reposition a stent before final deployment." Tully said the latest series of financing will allow IDev to aggressively pursue commercialization and clinical trials in the U.S. and Europe. For more information, visit www.idevmd.com.

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Expert lauds SUPERA™ as giant step in treatment of PAD/PVD

"There are around 200,000 leg amputations in the U.S. each year, and PAD/PVD is usually the cause," says Craig Walker M.D., founder and medical director of the Cardiovascular Institute of the South. "We see blocked leg arteries typical of PAD/PVD in diabetics, older people and smokers—particularly in women, due to the smaller size of their arteries," notes Walker. "Peripheral artery disease is a stronger predictor of mortality than a new diagnosis of breast cancer. Despite this, we have not treated it as aggressively as other diseases in the past—perhaps because of an historic lack of effective and safe treatment for this population."

Walker notes a study by Mary Yost at The Sage Group estimating there may be as many as 20 million Americans with PAD/PVD. It is often associated with coronary and carotid disease. Many patients exhibit no symptoms at all. "All treatments have involved getting blood flow back to the leg," says Walker. "But in the past that meant major surgery, which is associated with pain, risk of wound infection, surgical risks and often the use of veins that may be necessary for future heart bypass. PVD is often progressive, and it is difficult to repeat surgical procedures. Minimally invasive techniques such as balloon angioplasty, were fraught with a high rate of restenosis. Self-expanding stents have been utilized, but there have been problems with stent fracture, stent kinking, difficulty with re-crossing and insufficient radial force to hold the vessel open."

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Walker has used the SUPERA™ stent in Germany and thinks it will have tremendous appeal to physicians who specialize in vascular diseases. "SUPERA™ is easy to re-cross, does not kink and is highly unlikely to fracture. It has much greater radial force than other self-expanding stents. With the explosion of treatments in vascular disease, people are starting to understand the disease and the urgency for treatment, including medical, interventional and surgical." Walker thinks SUPERA™ has potential for use in not just peripheral arteries of the leg, but also iliacs and carotids and veins. "SUPERA™ could be a giant step in the treatment of PAD and could be the 'go-to' product for its future." For more information on Dr. Walker and PAD/PVD visit www.cardio.com.

Cabrellis acquired by Pharmion

Continuing the fight against small-cell lung cancer, Pharmion Corporation has acquired Cabrellis Pharmaceuticals, a clinical-stage private oncology company that was developing ambrucin. "We are very pleased with the potential for ambrucin," said Patrick J. Mahaffy, president and CEO of Pharmion. "Given its approval and use in Japan, where it is marketed as CALSED™, we are enthusiastic about expanding its use in the U.S. and E.U. for small-cell lung cancers and following its potential for treating other types of tumors." CALSED™ was in-licensed by Conforma Therapeutics prior to Conforma's acquisition by Biogen Idec, when it was spun out to Cabrellis, which then held the exclusive rights to develop and commercialize CALSED™ in North America and Europe. RiverVest was an investor in Cabrellis, along with other former Conforma shareholders.

Under the terms of the agreement, Cabrellis was acquired for an initial cash payment of $59 million. In addition, Pharmion will make additional payments of up to $45 million upon approval of ambrucin by regulatory authorities in the U.S. and the E.U. Boulder-based Pharmion assumed immediate responsibility for ambrucin's development and the Cabrellis offices in San Diego have been closed.

Cabrellis PHARMACEUTICALS

"This was a very opportune investment for RiverVest – greater than a 6x return in less than 6 months."

- Gordon Foulkes, Ph.D., managing director

MILESTONES

- **Calypso® Medical Technologies** reported real-time prostate motion data at the 48th meeting of the American Society for Therapeutic Radiology and Oncology (ASTRO). In 2006, Calypso® received FDA 510(k) clearance for the system, which uses proprietary positioning technology for treatment of prostate cancer. Calypso® is the first and only system which monitors prostate organ motion during radiation therapy, minimizing additional ionizing radiation.
- **TissueLink, Inc.** has closed on an additional $20 million in financing that will fund the company to profitability.
- **Xoft, Inc.** has closed a Series D round of financing. The additional equity funding of $33.2 million will bring the Axxent® Electronic Brachytherapy System to its first patients, as well as expand manufacturing, sales and marketing.
- **Pat Foster** has been named president and CEO of Centerre Healthcare. Foster's career includes heading the Inpatient Rehabilitation Hospital Division of HealthSouth. John Lewis will continue as chairman of Centerre.
- **Gordon Foulkes, Ph.D.** has been named managing director of RiverVest Venture Partners. Foulkes has been a venture partner with RiverVest since 2005.
- **Dennis Wahr, M.D.**, has joined the Industrial Advisory Board for the Global Cardiovascular Innovation Center at the Cleveland Clinic. The group advises on efforts to turn cardiovascular breakthroughs into global medical products through the Center, which recently received $60 million from the State of Ohio, the largest grant ever made under the state's multi-billion Third Frontier Project.

Hutson and McKearn join Scientific Advisory Board

RiverVest welcomes two new members to its Scientific Advisory Board, Nancy J. Hutson, Ph.D. and John P. McKearn, Ph.D.

Dr. Hutson spent 25 years at Pfizer, Inc., including serving as senior VP, Global Research and Development, and director of Pfizer's largest pharmaceutical R&D site, where she led 4,500 scientists with a budget in excess of $1 billion annually. Dr. Hutson served on numerous executive committees, including the Worldwide Development Operations Group and Senior Leadership Team, among others. Dr. Hutson has also served on various community boards, including the African Medical and Research Foundation. Dr. Hutson received her Ph.D. from Vanderbilt University and completed post-doctoral fellowships at Vanderbilt, University of Oxford and Hershey Medical Center.

Dr. McKearn , who also has a pharmaceutical industry background, served most recently as the founding CSO and CEO of Kalypsys, a private drug discovery and development company in San Diego, raising over $150 million in both R&D partnerships and private and public equity. Prior drug discovery and development experience came during his nearly 20 years with Pharmacia, Searle and DuPont. While at Searle and Pharmacia, eight new drugs were developed (including Celebrex, Bextra, Dynastat, and Sutent), now generating billions in annual revenues. As head of Pharmacia's global research unit, Dr. McKearn integrated worldwide drug discovery efforts of more than 1600 research scientists on five research campuses world-wide, with an annual budget of over $500 million. Dr. McKearn holds a Ph.D. in Immunology from the University of Chicago.

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