

TVM Life Science Ventures VII Announces Investment in Ixchelsis Ltd.

Montreal, August 6, 2013 – Ixchelsis Ltd and TVM Life Science Ventures VII today announced the fund's second investment – Ixchelsis Ltd, a start-up company based at Discovery Park, Sandwich, Kent, UK. Ixchelsis plans to develop to proof-of-concept, IX-01, an investigational compound, originally discovered at Pfizer's, Sandwich, UK, R&D site, with the potential to treat the male sexual health indication, premature ejaculation.

"Ixchelsis is delighted to have the opportunity to collaborate with the TVM team and also to have selected Chorus, the early phase virtual drug development arm of Eli Lilly and Company's Global External R&D organization, to work with us in progressing IX-01 to clinical proof-of-concept," said Gary Muirhead, CEO of Ixchelsis Ltd. He added, "We also appreciate Pfizer's significant and sustained efforts to provide Ixchelsis with the opportunity to potentially bring this therapy to patients with this surprisingly common and distressing condition."

"There is a significant need for new treatment options for premature ejaculation, as there are currently no medicines approved by the Food and Drug Administration to treat this recognized medical condition," said Francois Giuliano, M.D., an academic and clinical expert in male sexual health. "As clinicians, we require medications with new mechanisms of action to delay ejaculation. Oxytocin antagonists have great potential and are especially deserving of further investigation."

"TVM is proud to have played an important role in helping the Ixchelsis team secure the rights to IX-01 and this transaction is a testament to the benefits of our investment model. Furthermore, we are pleased to collaborate with a successful team of drug developers including former Pfizer scientists, Ian Osterloh, MBBS; Karl Gibson, Ph.D. and Lizbeth Littlewood, BSc, who join Gary," said Luc Marengere, Ph.D., Managing Partner of TVM and board member of Ixchelsis Ltd.

"Ixchelsis is at the heart of TVM's strategy to develop an asset which addresses a significant unmet medical need for up to 30 percent of the global adult male population and which can have a major impact on the quality of life for men and their partners."

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This is the second investment for TVM Life Science Ventures VII, a venture capital fund domiciled in Montreal QC, which follows a new investment approach to developing pharmaceutical assets, in a capital efficient fashion, to a human proof-of-concept in single asset companies. TVM Life Science Ventures VII is a unique collaboration between TVM and Lilly to finance and access innovation beyond the company's walls and as a way to manage risk and share reward.

Ixchelsis Ltd. will leverage its extensive network in the male sexual health sector and will collaborate with Lilly's Chorus to potentially bring IX-01 to human proof-of-concept. If and when proof-of-concept is reached, Lilly may have the option to acquire the molecule.

"Lilly's Capital Funds Portfolio has enabled us, together with other investors, to create a valuable strategic partnership with TVM Life Science Ventures VII and its fund managers," said Darren Carroll, vice president of Lilly corporate business development. "TVM's strategic relationship with Lilly enables its project focused companies, like Ixchelsis, to reach clinical proof of concept efficiently and cost effectively."

"With the addition of Ixchelsis, we are pleased to have the second project focused company as part of TVM Life Science Ventures VII, and we expect to add several more in the near future," said Elaine Sullivan, vice president of Lilly Global External R&D. "TVM Life Science Ventures VII is an important part of our strategy as we strive to identify innovative medicines that span multiple therapeutic areas of great unmet need."

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About TVM Capital Life Science

TVM Capital Life Science is providing venture capital to the international pharmaceutical, biopharmaceutical and medical technology industries with more than 25-years of transatlantic investment track record and in excess of US\$1.1bn under management. The Life Science Investment Group's mission is to invest in the development of exciting early stage drug candidates and companies in the medical field that are or aspire to be innovative leaders in their market segment. Since 1984, TVM Capital Life Science made 117 investments in life science companies in Europe and the United States and exited from 87 companies, including 42 initial public offerings on the NASDAQ, and the London, Frankfurt, Zurich and Vienna Stock Exchanges and 25 trade

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sales and mergers. The Life Science team combines long-standing international investment and company building experience with their track record of dedicated board work, extensive global networks in the world of life science research and product development and a direct knowledge of the local markets. TVM Capital Life Science currently invests from its 7th fund generation, TVM Life Science Ventures VII, with an integrated team of investment professionals based in Montreal and Munich.

More information: www.tvm-lifescience.ca; www.tvm-lifescience.com or twitter: @tvmcapital

This press release contains forward-looking statements about TVM Life Science Ventures VII and Lilly's investment in a clinical stage compound for a male sexual health indication being developed by Ixchelsis, Ltd. It reflects Lilly's and TVM's current beliefs; however, as with any such undertaking, there are substantial risks and uncertainties in the process of drug development. There is no guarantee Lilly will realize the expected benefits of the transaction, that the product will receive regulatory approval, or if approved, would be commercially successful. For further discussion of these and other risks and uncertainties, please see Lilly's latest Forms 10-Q and 10-K filed with the U.S. Securities and Exchange Commission. The companies undertake no duty to update forward-looking statements.

About Ixchelsis Ltd

Ixchelsis Ltd is a clinical-stage biotechnology company developing an oxytocin receptor antagonist (IX-01) for the treatment of premature ejaculation (PE). IX-01 is a clinical stage asset that has the potential to be the best in class pharmacological approach for the treatment of PE. To date IX-01 has completed a Phase 1 single ascending dose study in healthy male volunteers and is currently being progressed through to clinical proof of concept (POC). Ixchelsis is funded by TVM Life Sciences Ventures VII and is lead by an excellent Management team with extensive experience in pharmaceutical R&D, particularly in the male sexual health therapeutic area.

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