

Kineta, University of Washington partner on NIH-funded project to develop vaccine immune boosters

University of Washington will lead \$13 million collaborative project

SEATTLE, WA, Nov. 10, 2009, – Kineta, Inc. announced today it has been awarded a \$6.8 million subcontract from the National Institute of Allergy and Infectious Diseases (NIAID), part of the National Institutes of Health (NIH), to develop novel vaccine adjuvants (agents that help boost the immune system). The Kineta subcontract is part of a larger \$13 million award to the University of Washington. Dr. Michael Gale, Jr., who is a UW Associate Professor of Immunology, Adjunct Associate Professor of Global Health and Microbiology, and Affiliate Investigator of the Clinical Research Division of the Fred Hutchinson Cancer Research Center, will serve as program director and Principal Investigator to direct the studies on the contract.

Under the terms of the five year contract, Kineta will identify, analyze and initiate preclinical studies on small molecules that activate the retinoic acid inducible gene I (RIG-I) pathway of the innate immune response. Dr. Gale's lab will evaluate the mechanisms of action of the selected lead compounds and develop methods of optimization. Adding to the strength of the scientific team is Dr. Michael Katze, UW Professor of Microbiology and Associate Director of the Washington Regional Primate Research Center, who will provide bioinformatics to support the work of the contract, and Dr. Shawn P. Iadonato, Chief Scientific Officer at Kineta, who will lead the high through-put screening and pharmacology work.

The overarching goal of the contract is to develop vaccine adjuvants that tap into and utilize the power of the innate immune system to fight disease. "Kineta's scientific team is honored to receive this award to assist the University of Washington and the NIH in carrying out this important work. We look forward to delivering into the clinical pipeline new agents to boost the power of vaccines to improve human health," said Dr. Iadonato.

Dr. Gale concurred, "More effective and potent vaccines are in critical need here in the United States and around the world, particularly to address key viral infections, including infections from the influenza viruses and human immunodeficiency virus (HIV). In addition, there is an important need to develop novel adjuvants to support the development of an effective vaccine against hepatitis C virus."

Dr. Gale's laboratory has been instrumental in defining the virus and host processes by which RNA viruses, including hepatitis C virus, West Nile virus, influenza virus, and now HIV, trigger and control innate immune defenses during infection. Dr. Gale's research team has been credited with identifying the RIG-I pathway as a key to triggering immunity against RNA viruses early in infection. RIG-I is a vital cellular protein that functions as a molecular "on/off" switch triggering the body's immune defenses. Molecules (adjuvants) that activate the RIG-I pathway, when added to vaccines, have the potential to substantially accelerate, prolong or enhance the activity of the vaccines.

Kineta is a discovery-stage biotechnology company focused on the development of new types of antiviral and autoimmune drugs. The Kineta team has a track record of developing novel drug classes to treat a variety of viral diseases.

For more information on today's announcement or to schedule interviews contact:
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Kineta, Inc. is a Seattle-based privately held biotechnology company specializing in clinical advancement of drugs that modulate and enhance the human immune system. Our world class scientists are pioneers in developing life-changing classes of drugs that harness the power of the immune system to fight disease. Kineta seeks to improve the lives of millions of people suffering from autoimmune and viral diseases. Our progressive business model focuses on targeting unmet medical needs and on rapid achievement of important clinical milestones. For more information on Kineta Inc. visit our website, www.Kinetabio.com

UW Medicine trains new physicians and medical scientists, researches health and disease, and provides primary and specialty care to patients from Seattle and across the Pacific Northwest. The UW Medicine health system includes UW Medical Center, Harborview Medical Center, the UW School of Medicine, UW Medicine Neighborhood Clinics, UW Physicians, Airlift Northwest, and the UW's partnership in the Seattle Cancer Care Alliance with Seattle Children's and Fred Hutchinson Cancer Research Center. UW Medicine has major academic and service affiliations with Seattle Children's Hospital, Fred Hutchinson Cancer Research Center, and the Veteran's Affairs Puget Sound Health Care System in Seattle and the VA Hospital in Boise. The UW School of Medicine is the top public institution in federal funding for biomedical research. Among its 2,002 full-time faculty and 4,874 volunteer and part-time faculty are four Nobel Laureates, 32 members of the National Academy of Sciences, and 33 members of the Institute of Medicine. For more information about UW Medicine, visit <http://www.uwmedicine.org/>

This project has been funded in whole or in part with Federal funds from the National Institute for Allergy and Infectious Diseases, National Institutes of Health, Department of Health and Human Services, under Contract No.HHSN272200900035C.

Safe Harbor Statement. *This press release contains forward-looking statements, including without limitation, all statements related to plans, future events and financial performance of Kineta and its subsidiary companies. Forward-looking statements involve risks and uncertainties, which could cause actual results to vary materially from those expressed in or indicated by the forward-looking statements. The companies' actual results and timing of events could differ materially, including efficacy and demand for our products, our ability to manage our costs, competition from other drug development companies, and our ability to recruit and maintain senior management and other key personnel. The companies' stakeholders are cautioned not to place undue reliance on these forward-looking statements, which reflect only an analysis and speak only as of the date of this press release. The companies undertake no obligation to revise or update any forward-looking statements to reflect events or circumstances after the date hereof.*