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Q Therapeutics Announces First U.S. Patent Relating to Fifth Patent Family on Neural Cells

SALT LAKE CITY, UT -- (Marketwired) -- 07/07/14 -- [Q Therapeutics, Inc. \("Q"\)](#), an emerging biotechnology company developing innovative cell therapy products for the treatment of debilitating diseases of the central nervous system, announced today that the United States Patent and Trademark Office has issued the Company the first U.S. patent from its fifth patent family on neural cells.

U.S. Patent No. 8,673,292, titled "Pure Populations of Astrocyte Restricted Precursor Cells and Methods for Isolation and Use Thereof," covers the astrocyte family of neural cells of the central nervous system (CNS). Canadian Patent No. 2,473,749 in this same patent family has already issued.

The lead inventor on the patent is Mahendra Rao, MD, Ph.D., Q Therapeutics' scientific founder. Most recently, Dr. Rao served as Director of the National Institutes of Health (NIH) Intramural Center for Regenerative Medicine. Dr. Rao is Chief Strategy Officer of Q Therapeutics and is responsible for identification and development of new cell products, including new products in the astrocyte lineage that are protected under this new patent.

"U.S. Patent No. 8,673,292 covers the astrocyte family, a critical CNS cell type," stated Dr. Rao. "Astrocytes constitute the majority of CNS cells and provide essential support functions for neurons, enabling a healthy CNS. They can be likened to the mesenchymal stem cells (MSCs) of the CNS, as they provide trophic support and modulate inflammation post-injury. However, astrocytes also offer the potential for long-lasting treatment. Unlike MSCs, astrocytes are long-lived and can treat both CNS injuries as well as neurodegenerative diseases. Defective astrocytes are characteristic in many diseases, including Amyotrophic Lateral Sclerosis (ALS or Lou Gehrig's disease), and Parkinson's, Huntington's and Alzheimer's diseases. These diseased astrocytes can be replaced by healthy astrocytes whose manufacture and composition are covered by Q's patent portfolio. In addition, Q's astrocytes can be engineered using non-viral vectors to enhance their trophic support capabilities or correct genetic deficits, further expanding the uses for these versatile cells. Q is evaluating these cells as vehicles for long-lasting gene therapy for the CNS."

Further commenting, Deborah Eppstein, Ph.D., President and Chief Executive Officer of Q Therapeutics, added, "We are very pleased with this first U.S. patent issuance in the astrocyte cell family, an extremely important CNS cell type. This patent expands our IP portfolio and covers both composition of matter and use of astrocyte cells for treatment of neurodegenerative diseases. This gives Q a dominant position on these cells for therapeutic applications, as well as for the use in drug discovery. We are delighted that Dr. Rao will be spearheading our development programs, encompassing the manufacturing of these patented cells from pluripotent cells, such as induced pluripotent stem cells, and the engineering of these cells for gene delivery. In addition, we will seek licensees for drug-screening applications."

About Q Therapeutics, Inc.

Headquartered in Salt Lake City, Q Therapeutics is a fully reporting, non-trading company engaged in developing adult stem cell therapies to treat debilitating diseases and injuries of the central nervous system. The Company's first product, *Q-Cells*®, is a cell-based therapeutic intended to restore or preserve normal activity of neurons by providing essential support functions that occur in healthy central nervous system tissues. *Q-Cells* may be applicable to a wide range of central nervous system diseases, including demyelinating conditions such as multiple sclerosis, transverse myelitis, cerebral palsy and stroke; as well as other neurodegenerative diseases and injuries, such as ALS (Lou Gehrig's disease), Huntington's disease, spinal cord injury, traumatic brain injury, Parkinson's disease and Alzheimer's disease. Q Therapeutics' initial clinical target is ALS, with a first IND submission expected in 2014. The Company's proprietary product pipeline also encompasses neural cell products derived from induced pluripotent stem cells (iPSC). For more information, visit www.qthera.com.

Cautionary Statement Regarding Forward Looking Information

This news release may contain forward-looking statements made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements in this press release regarding potential applications of Q Therapeutics' technologies constitute forward-looking statements that involve risks and uncertainties, including, without limitation, risks inherent in the development and commercialization of potential products, uncertainty of clinical trial results or regulatory approvals or clearances, need for future capital, dependence upon collaborators and maintenance of its intellectual property rights. Actual results may differ materially from the results anticipated in these forward-looking statements. Additional information on potential factors that could affect results and other risks and uncertainties are detailed from time to time in Q Therapeutics' periodic reports, including the quarterly report on Form 10-Q for the period ended March 31, 2014 and the Company's Annual Report on Form 10-K for the year ended December 31, 2013.

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Source: Q Therapeutics, Inc.