

H. DEAN BUNNELL, President and CEO, INDIGO Biosciences, Inc., speaks about the company's upcoming release of frozen, single-use whole-cell nuclear receptor assays for use in drug discovery, drug development and preclinical activities

Future Pharmaceuticals: Please provide some background on INDIGO Biosciences products and services. When did INDIGO Biosciences get started and how has the company evolved since its founding?

DEAN BUNNELL INDIGO Biosciences was founded in 2005 by two Penn State professors. They developed a number of assays for use in screening compounds and various types of toxicology applications; the word got out and people started asking them to conduct tests. During that time they developed a very robust family of nuclear receptor assays and, in 2007, we started seeing a change in the marketplace and decided to move into the manufacture and sale of single-use assays.

FP What kinds of companies could benefit from your products and services?

DB Our customers are currently pharmaceutical companies. We work with anyone involved in drug discovery, drug development or preclinical activity, and toxicologists. We're even seeing interest from nutraceutical companies (people that make food supplements, etc.). They want to test their products to validate their claims.

FP Do you have additional new assay kits coming out soon? If so, what are they?

DB We are about to introduce our first product: A peroxisome proliferator activated receptor (PPAR) gamma assay for drug development initiatives targeting diabetes and obesity. That will be followed closely by three additional products, an LXR beta assay (cholesterol and inflammation indications), a mineralocorticoid assay (hypertension indication), and an estrogen receptor alpha assay (numerous estrogen-related indications). »



**NEW
RELEASE**





“THEY ARE SINGLE-USE, FROZEN, WHOLE-CELL NUCLEAR RECEPTOR ASSAYS AND THEY’RE TARGETED AT HIGH THROUGHPUT SCREENING APPLICATIONS.”

FP What makes your assay kits and screening services superior to your competitors? What would compel someone to switch to INDIGO?

DB I'd like to address the assays first. These assay products that we are bringing onto the market really offer something different to users. They are single-use, frozen, whole-cell nuclear receptor assays and they're targeted at high throughput screening applications. They are very robust, optimized assays. To look at the bottom line: these assays will save people time, money and reduce risks associated with their discovery and development programs.

On top of that, we've designed these products to be as easy as possible to use so that anyone in the laboratory environment can simply take one of these frozen assays out of the freezer, thaw it, feed it, dose it, read it, then dispose of it.

FP You mentioned you have changed your business model to the manufacture and sale of single-use assays vs. screening. Can you tell us more about what led to that decision?

DB We saw a problem with people wanting us to test drugs that they didn't feel comfortable sending outside their companies because of the possibility of compromising their Intellectual Property. The technical innovation that allowed us contemplate transitioning from being strictly a service provider to being primarily a product provider was our development of a proprietary cryo-preservation process that we have trademarked as CryoMite. This process allows us to freeze live cells and

bring them back extremely robust with a survivability rate of 95 percent and above.

At the same time, we noticed a time and cost pressure on pharmaceutical companies for keeping their pipelines full and a stronger move into high throughput screening. In other words, people want to screen more, faster. It just seemed like a good fit that we could supply a product that would allow people to screen quickly with minimal involvement and cut their costs by not having to maintain live cell cultures in-house.

In the screening environment, most pharmaceutical companies are hesitant to release test compounds outside of the company because of the risk of compromising their Intellectual Property. So the business in that area is very limited and we saw a greater opportunity by making a product that — instead of having to send test compounds to INDIGO — could send frozen assays to companies with drugs that they wanted to test where there's IP associated with the compound or molecule.

FP Tell me about your management team: Who are they? And what are their roles in the company?

DB Dr. Jack Vanden Heuvel, our Chief Scientific Officer and Co-founder, is a well-known toxicologist. He has over 15 years of experience in toxicological analysis, analytical processes and assay design. He's been a major factor in bringing this family of assays forward over time.

Dr. Bruce Sherf, our Chief Technical Officer, joined INDIGO in mid-2008. He brings 16 years of molecular biology experience and assay design, development and manufacturing. He

has been a major force in bringing our frozen assays to the point where we're ready to introduce them into the market.

FP What does INDIGO's management team see as the biggest challenge facing your company?

DB I think what we're looking at, forward speaking, is keeping up with customer demand and the acceleration of the introduction of new assays as we move forward. I think those will be our two biggest challenges.

FP As an early-stage biosciences company, you've created a great market opportunity with a unique research tool that seems to be ideal for pharmaceutical researchers. Is there room for new investors? And if so, what kinds of investors are you looking for?

DB There's always room for new investors; INDIGO is looking for equity investors, particularly angel investors and early-stage venture capitalists.

FP I heard you recently completed a beta testing, would you like to speak to the results?

DB Sure, we've just completed an extensive beta test on these products prior to releasing in the marketplace. The response was very positive. All of the feedback we've received has been extremely supportive and people are eager for us to begin to sell our products into the marketplace. **FP**



H. DEAN BUNNELL, President and CEO of INDIGO Biosciences, Inc., has thrived for nearly 35 years leading successful startups and large multi-national companies in various industries, including biosciences, Internet, telecommunications, RF and microwave technologies and software analysis tools. His experience includes Kaman Industries, Locus Inc., Mitsubishi, California Eastern Labs & NEC Corporation, Aercom Industries, Litton Industries, MAXTECH, Inc. and Vertex Communications. At INDIGO Biosciences, Mr. Bunnell is transitioning the company's business model in order to become a premiere global developer and producer of unique, frozen single-use whole-cell nuclear receptor assay products for use in drug discovery, drug development and preclinical activities.

Human PPAR γ Reporter Assay System

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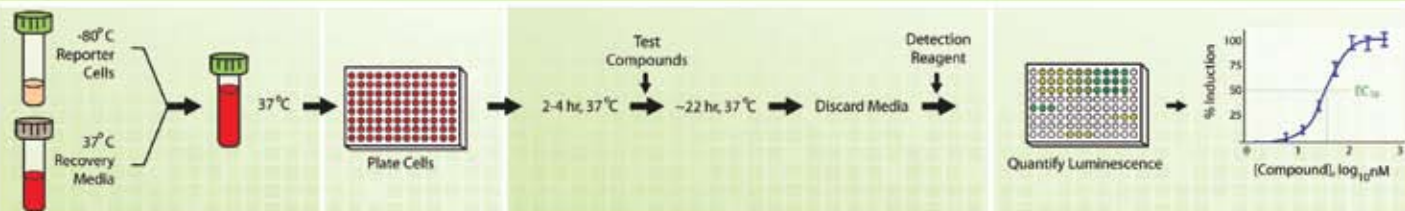
- Stored at -80° C for on-demand use
- 384- and 96-well assay formats
- Custom bulk reagents available for HTS

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INDIGO Biosciences' nuclear receptor products are cell-based all-inclusive reporter assay systems optimally configured for HTS applications. They feature engineered reporter cells that are cryo-preserved using INDIGO Biosciences' proprietary CryoMite™ process. Thawed reporter cells retain ≥ 95% viability and are ready for immediate use without the need for cumbersome post-thaw processing to spin down cells, exchange media, calculate viable cell numbers, or adjust cell titer.

All of INDIGO Biosciences' nuclear receptor assays feature stable-expression luciferase technology. This allows rapid screening of users' test compounds for sensitive detection of agonist or antagonist activities against fully functional human nuclear receptors expressed within the natural cytoplasm and nuclear environments of healthy dividing cells.



customerserv@indigobiosciences.com