Oncternal Closes $18.4 Million Series B Financing

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Proceeds support advancement of clinical development programs and early stage pipeline

SAN DIEGO, February 22, 2017 — Oncternal Therapeutics, Inc., a clinical-stage biotechnology company developing first-in-class therapies for both rare and common malignancies, today announced the closing of an $18.4 million Series B financing. The company intends to use the proceeds to further clinical development programs for cirmtuzumab and TK216, and to advance preclinical development of a new ROR1-targeted antibody-drug conjugate (ADC) program.

Cirmtuzumab is a first-in-class anti-ROR1 monoclonal antibody being developed to treat patients with chronic lymphocytic leukemia (CLL) and mantle cell lymphoma (MCL). Research has shown that ROR1 expression identifies cancer stem cells in a number of hematologic malignancies and solid tumors, and that certain antibodies against ROR1 inhibit malignant behavior. Initial findings from the ongoing Phase 1a clinical trial in patients with relapsed or refractory CLL, including signs of pharmacological activity and prolonged progression-free survival, were presented at the American Society of Hematology Meeting in December 2016.

TK216 is a first-in-class small molecule that inhibits the biological activity of ets-family transcription factor oncoproteins in a variety of tumor types, inhibiting cancer cell growth and tumor formation in nonclinical models. In Ewing sarcoma, TK216 is designed to target a fusion protein that causes the disease. A Phase 1 clinical trial in patients with relapsed or refractory Ewing sarcoma is currently underway. Oncternal has received Orphan Drug Designation and Fast Track status from the U.S. Food and Drug Administration (FDA) for TK216 in Ewing sarcoma and will be eligible to receive a Rare Pediatric Disease Priority Review Voucher if approved for this indication.

Oncternal is also investigating the potential of ROR1-targeted ADCs. Preclinical models show that upon binding, ROR1 antibodies such as cirmtuzumab are rapidly internalized and traffic inside the cell in a manner that is ideal for delivering a cytotoxic payload. Oncternal is generating and evaluating a series of ROR1-targeted ADCs utilizing several different toxic payloads, linkers and antibody conjugation chemistry. Preclinical evaluation of these candidates will continue during 2017.

“We are extremely pleased with the rapid progress we have made in our clinical development programs since Oncternal was formed just nine months ago, and we appreciate the strong support of our shareholders and new investors,” said James Breitmeyer, M.D., Ph.D., Oncternal’s President and CEO. “We have reached the top dose group in our Phase 1a clinical trial of cirmtuzumab without safety issues and with evidence of pharmacological activity. We are preparing to launch a Phase 1b/2 clinical trial of cirmtuzumab combined with ibrutinib as treatment for patients with CLL and MCL. With TK216, we have progressed through four dose levels in our Phase 1a study for patients with Ewing sarcoma without dose limiting toxicity, and have new nonclinical data to support development of TK216 for patients with hematologic malignancies. Additionally, we have initiated an anti-ROR1 ADC program and are testing product candidates from the program to add to our development pipeline.”