



BULLETIN



CANADIAN GENETIC DISEASES NETWORK

CGDN ACQUIRES EQUITY STAKE IN *ALGENE*

Montreal - March 3, 1999: The Canadian Genetic Diseases Network (CGDN) has signed an agreement with *Algene Biotechnologies Corporation* of Montreal to receive an equity position in the company which is listed on the Toronto and Montreal stock exchanges. CGDN's stake was negotiated in exchange for its interest in osteoporosis and breast cancer patents held by CGDN member, Dr. François Rousseau at the Centre Hospitalier du Québec (CHUQ) at the University of Laval.

In a public statement February 26, *Algene* announced that the company has obtained exclusive rights to three pending patents filed by Dr. Rousseau which cover diagnostic and therapeutic applications to the genes for osteoporosis and breast cancer. Dr Rousseau will serve as a Scientific Director of *Algene* to pursue commercialization of his work, and will continue to maintain his academic position with CHUQ.

Dr. Rousseau's research, together with a technology acquired from McGill University, are part of *Algene's* new intellectual property platform. The company made the announcements in tandem with a private financing of \$2.75 million by a group of investors led by T2C2/BIO, and a management restructuring.

Said Dr. Michael Hayden, Scientific Director of the Canadian Genetic Diseases Network from CGDN headquarters in Vancouver, "Dr. Rousseau's work is a major breakthrough in the research of osteoporosis and breast cancer." Commenting on the CGDN strategy

of investing incremental funds in specific research projects which show exceptional early-stage commercial potential, he added “ I am extremely pleased that CGDN’s strategic funding initiatives have been successful in accelerating the development of this research towards patent application and significant commercial milestones.”

Dr. Ron Woznow, CEO of CGDN, noted that the agreement with *Algene* adds to the Network’s list of successes in creating economic benefit from CGDN- funded research. CGDN provided core funding and strategic grants to Dr. Rousseau’s research.

The Canadian Genetic Diseases Network is a not-for-profit nation-wide centre of research excellence which receives core funding from the federal Networks of Centres of Excellence Program. CGDN creates strategic partnerships to commercialize discoveries for the benefit of health care in Canada and worldwide. Fifty scientists and their teams, based in 18 universities, hospitals, and research centres across Canada, focus on the molecular and cellular causes of inherited disease. In 1997, CGDN was awarded a further seven years’ core funding by the Networks of Centres of Excellence Program via the Medical Research Council of Canada, to conduct an expanded research program “From Genes to Therapies.”

For further information:

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