

Hormone-refractory metastatic prostate cancer (PCa) is the second leading cause of Cancer deaths among US men. All PCa occur initially as a male hormone dependent tumor that is treated by radical prostatectomy or radiotherapy. Androgen Deprivation Therapy (ADT) is the standard of care as first-line hormonal therapy for patients with cancer recurrence without evidence of bone metastasis. All of these patients eventually develop hormone-refractory, refractory PCa, which does not respond to any known cancer therapy and is usually fatal.

Colby scientists and collaborators at the Comprehensive Cancer Center, UW-Madison and others have discovered that oxygen free radical (OFR) induced prostate tissue damage is a major player in the development of PCa and it is reported that OFR signaling causes its progression to the advanced hormone-refractory stage. The company and its collaborators have also identified two major cellular metabolic pathways that produce OFR in the prostate. Colby is now developing four small molecule inhibitors of these metabolic pathways to reduce the OFR in cancer cells for treatment of both hormone-refractory and hormone-dependent PCa.

Colby scientists have accessed about \$15M federal and non-federal grants to carry out preclinical safety and efficacy studies for the co-lead drugs [CPC-100](#) and [CPC-200](#). The lead drug CPC-100 is 225 times more effective than is Casodex® (Astra-Zeneca) in delaying tumor progression in a spontaneous mouse model for PCa. Casodex is the standard of care for anti-androgen therapy with a US market of \$1.2B. Colby's lead drug CPC-100 will begin Phase I/IIa clinical trial in H2 2008 for men who failed surgery or radiotherapy and have rising serum PSA. Failed ADT patients have no approved drug for treatment and Colby estimates the market size for this patient population to be similar to the Casodex®-treated ADT patients. The co-lead drug CPC-200 will begin clinical trials in H2 2009 for men, who failed surgery or radiotherapy prior to ADT. CPC-200 will compete directly with ADT including Casodex® with a total US market of \$2.5B.

Colby has in-licensed exclusive rights for three of its drugs from WARF and developed the fourth drug in-house. It has operations at Menlo Park, CA and Madison, WI and is supported by world-renowned scientists, PCa clinicians and experienced business leaders in the management team.

Colby is looking to raise \$3.6-\$5.5M in 2008 to fund the cost of IND submission, regulatory process, pharmaceutical grade drug synthesis and setting up first-in-man clinical trial for CPC-100 in three centers of excellence in the US. Colby will also raise an additional \$18-22M for completion of the Phase I/IIa clinical trials of the lead and co-lead drugs by 2010 to reach an important milestone for pharma partnership and/or acquisition.

This document contains "forward-looking statements," including statements about the Company's growth, future operating results, discovery and development of products, strategic alliances and intellectual property. Forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, compensation arrangements, financing needs, plans or intentions relating to acquisitions, business trends and other information that is not historical information. Various important risks may cause the Company's actual results to differ materially from the results indicated by these forward-looking statements, including: adverse results in its drug discovery, pre-clinical and clinical development programs; failure to obtain grants; failure to obtain patent protection for its discoveries; commercial limitations imposed by patents owned or controlled by third parties; difficulties or delays in obtaining regulatory approvals to market products and services resulting from the Company's development efforts; product withdrawals; competitive factors; difficulties or delays in commercialization of Company's products; and the requirement for substantial funding to conduct research and development and to expand commercialization activities.