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PRECISION BIOSCIENCES ANNOUNCES GENE EDITING COLLABORATION WITH NOVARTIS TO DEVELOP POTENTIAL CURE FOR CERTAIN BLOOD DISORDERS

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Precision BioSciences (Nasdaq: DTIL), a clinical stage gene editing company based in Durham, N.C., has entered into an exclusive worldwide research and development collaboration and license agreement with Novartis Pharma AG. The collaboration could lead to a potentially curative treatment option for certain diseases such as sickle cell disease and beta thalassemia. Precision BioSciences will use its proprietary gene editing platform, ARCUS, to develop an ARCUS nuclease for the therapy, and Novartis will be responsible for subsequent research, development, manufacturing, and commercialization activities.

Sickle cell disease affects 20 million people worldwide, approximately 80 percent of whom live in sub-Saharan Africa. It is estimated that around 1,000 children in Africa are born with the genetic disorder every day, and more than half will die before they reach the age of five.

“We are excited to collaborate with Novartis to bring together the precision and versatility of ARCUS genome editing with Novartis’ gene therapy expertise and commitment to developing one-time, potentially transformative treatment for hard-to-treat inherited blood disorders,” said Michael Amoroso, Chief Executive Officer of Precision BioSciences in a **press release**.

The new therapy “could open the door to treating patients in geographies where stem cell transplants are not a realistic option,” said Derek Jantz, Chief Scientific Officer and Co-Founder of Precision BioSciences.

Precision BioSciences will receive an upfront payment of $75 million and is eligible to receive up to an aggregate amount of approximately $1.4 billion in additional payments for future milestones. Precision is also eligible to receive certain research funding and, should Novartis successfully commercialize a therapy from the collaboration, tiered royalties ranging from the mid-single digits to low-double digits on product sales.

Smith Anderson attorneys John Therien, Jason Brege, Heyward Armstrong, Lee Strasburger and Will Robinson represented Precision in the deal. Our Life Sciences team focuses on solutions for innovative life sciences companies at all stages—from startups to established companies, pre-clinical through commercialization. Smith Anderson is proud to have advised Precision on many of Precision’s important commercial collaborations since its inception in 2006, including its $2.7 billion research collaboration with Eli Lilly & Company to develop and commercialize gene editing-based gene therapies, which won a "Impact Deal of the Year" award from LMG Life Sciences; its $1.6 billion worldwide immuno-oncology development and commercial license agreement with Les Laboratoires Servier, which won a Deals of Distinction Award™ at the 2016 Licensing Executives Society Annual Meeting; its $445 million HBV strategic collaboration with Gilead Sciences in 2018; and its $145.4 million initial public offering.

Our lawyers combine comprehensive legal knowledge with deep industry experience to provide our clients with effective, timely solutions to meet their business objectives. Our clients include start-up companies and university spinouts, venture capital-backed companies and publicly traded companies.

About Precision BioSciences, Inc.

Precision BioSciences, Inc. is a clinical stage biotechnology company dedicated to improving life with its novel and proprietary ARCUS genome editing platform. ARCUS is a highly precise and versatile genome editing platform that was designed with therapeutic safety, delivery, and control in mind. Using ARCUS, the Company's pipeline consists of multiple *ex vivo* "off-the-shelf" CAR T immunotherapy clinical candidates and several *in vivo* gene editing candidates designed to cure genetic and infectious diseases where no adequate treatments exist. For more information about Precision BioSciences, visit **www.precisionbiosciences.com**.

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