Catalyst Biosciences Announces Agreement to Sell NNR Asset

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-- Divestment of Additional Neuronal Nicotinic Receptor Asset to Provide Catalyst with $750,000 Up Front Payment --

-- Catalyst Remains Focused on Improved Factor VIIa and IX Programs to Provide Subcutaneous Prophylaxis to Individuals with Hemophilia --

SOUTH SAN FRANCISCO, Calif., Oct. 18, 2016 (GLOBE NEWSWIRE) -- Catalyst Biosciences, Inc. (NASDAQ:CBIO), a clinical-stage biopharmaceutical company focused on developing novel medicines to address hematology indications, today announced that it has entered into a definitive agreement to sell one of its neuronal nicotinic receptor (NNR) assets that were under development by Targacept prior to its 2015 merger with Catalyst.

Catalyst is focused on developing medicines in the area of hemostasis, and prior to its merger with Targacept, decided not to develop the NNR assets. The divestiture provides an upfront payment to Catalyst of $750,000 and may also allow Catalyst to receive up to a total of $37 million in development, regulatory and commercial milestone payments as well as royalties on net sales.

"The sale of another NNR asset, following our divestiture of three NNR assets earlier this summer, has allowed Catalyst to realize additional value for a subset of these non-core assets as we remain focused on our therapeutic programs in hemophilia," said Nassim Usman, Ph.D., President and Chief Executive Officer of Catalyst.

NNR agonists are a class of drugs targeting neuronal nicotinic receptors, also known as neuronal acetylcholine nicotinic receptors (nAChRs). Under the terms of the agreement, one NNR asset, TC-6499, including related intellectual property rights and materials will be divested. TC-6499 is a molecule that was originally evaluated by Targacept in trials of neuropathic pain and diabetic gastroparesis.

About Catalyst Biosciences
Catalyst is a clinical-stage biopharmaceutical company focused on developing novel medicines to address hematology indications. Catalyst is focused on the field of hemostasis, including the subcutaneous prophylaxis of hemophilia and facilitating surgery in individuals with hemophilia. Catalyst's most advanced program is an improved next-generation coagulation Factor VIIa variant, marzeptacog alfa (activated), that has successfully completed an intravenous Phase 1 clinical trial in individuals with severe hemophilia A and B. Catalyst is also developing a next-generation Factor IX variant, CB 2679d/ISU304, that is in advanced preclinical development. For more information, please visit www.catalystbiosciences.com.

Forward-Looking Statements
This press release contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, included in this press release regarding the Company's potential receipt of milestone payments and royalties with respect to TC-6499 and the Company's product development plans for marzeptacog alfa (activated), CB 2679d/ISU304 and other products, including plans for and timing of clinical trials, the potential uses of the Company's product candidates to treat hemophilia and surgical bleeding are forward-looking statements. Actual results or events could differ materially from the plans, intentions, expectations and projections disclosed in the forward-looking statements. Various important factors could cause actual results or events to differ materially from the forward-looking statements that the Company makes, including, but not limited to, the risk that trials and studies related to the Company's products and TC-6499 may be delayed and may not have satisfactory outcomes, potential adverse effects arising from the testing or use of the Company's products or TC-6499, the risk that costs required to develop or manufacture the Company's products or TC-6499 will be higher than anticipated, risks related to the Company's ability to protect or enforce intellectual property rights related to its product candidates, competition and other factors that affect the Company's ability to establish collaborations on commercially reasonable terms and the Company's ability to successfully develop and commercialize its product candidates. Other risks and uncertainties related to the Company's business are described in the "Risk Factors" section of the Company's Annual Report on Form 10-K and Quarterly Report on Form 10-Q filed with the SEC. The Company does not assume any obligation to update any forward-looking statements, except as required by law.

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