



## **Q THERAPEUTICS COLLABORATES WITH JOHNS HOPKINS TO STUDY USE OF NEURAL CELLS IN TREATMENT OF ALS**

*Q-Cells® for neurodegenerative diseases*

**Salt Lake City, UT, June 12, 2008** – Q Therapeutics, Inc. announced today that it and Nicholas Maragakis, MD of Johns Hopkins University had received notification of an \$800,000 grant to be awarded from the Maryland Stem Cell Research Fund (MSCRF) to enable study of Q's human neural cell product Q-Cells® in preclinical models of Amyotrophic Lateral Sclerosis (ALS or Lou Gehrig's Disease). Nicholas Maragakis, MD, is an Associate Professor of Neurology at Johns Hopkins and is the Principal Investigator. James Campanelli, Ph.D., Senior Director of Research and Development at Q is Co-Investigator on the grant.

Q's collaboration with Dr. Maragakis' research team will focus on the ability of Q-Cells to protect motor neurons from degeneration in the SOD-1 rat model of ALS. Positive results of these studies would be supportive of a future Investigational New Drug (IND) submission to the FDA for conducting trials in ALS patients. ALS strikes 5,000 new patients every year in the US. There are no cures and patients usually die within 3-5 years after diagnosis.

ALS would represent a second disease target for Q-Cells in a degenerative condition of the central nervous system (CNS). Q is planning to submit an IND to use Q-Cells to treat patients who have lost significant function due to Transverse Myelitis, a demyelinating condition of the spinal cord that is closely related to Multiple Sclerosis. This work is also being conducted at Johns Hopkins University.

Dr. Maragakis is delighted with the opportunity to study Q-Cells in ALS. "Currently there are no effective treatments for ALS, a devastating disease that results in the death of a patient within just a few years of diagnosis. The novel approach of using a purified population of glial progenitor cells to protect motor neurons from death holds the possibility of extending the life span of ALS patients as well as reducing loss of motor function. In preliminary studies using analogous rat glial cells, treated animals experienced marked improvement in lifespan, physiological function and behavior."

Q Therapeutics President and CEO, Deborah Eppstein, Ph.D., welcomed the opportunity to study the efficacy of Q-Cells in this model of neurodegeneration. "We believe that Q-Cells should have applicability to several different types of central nervous system diseases. We look forward to joining Dr. Maragakis and his team on this groundbreaking project to study the efficacy of our product in ALS, broadening the use of Q-Cells beyond demyelinating diseases."

**About Q Therapeutics, Inc.**

Q Therapeutics, Inc. is an emerging biopharmaceutical company, venture-backed and privately held developing products to treat debilitating diseases of the central nervous system. The Company has exclusive rights to 16 patents arising out of work done by Mahendra Rao, M.D., Ph.D., at the University of Utah and NIH, as well as rights to pending patents from Steven Goldman, MD, Ph.D. and Cornell Medical Foundation. The company's first product, Q-Cells®, is a cell-based therapeutic intended to replace the insulating myelin on damaged neurons as well as provide trophic support, thereby restoring or preserving normal function of neurons. Q-Cells® may be applicable to a wide range of demyelinating diseases, including multiple sclerosis (MS), transverse myelitis, cerebral palsy, spinal cord injury and white matter stroke; as well as other neurodegenerative diseases such as ALS (Lou Gehrig's Disease) and Parkinson's Disease. Clinical trials are targeted to commence in 2009 in Transverse Myelitis, a rapidly paralyzing, inflammatory demyelinating spinal cord injury related to MS. Q's pipeline includes other cell products for treating diseases including Alzheimer's Disease and peripheral neuropathies. For more information, visit [www.qthera.com](http://www.qthera.com).

The Maryland Stem Cell Research Fund was established by Governor Robert L. Ehrlich, Jr. and the Maryland General Assembly through the Maryland Stem Cell Research Act of 2006. The purpose of the Fund is to promote state-funded stem cell research and cures through grants and loans to public and private entities in the State of Maryland. Johns Hopkins University is located in Baltimore, Maryland.

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