



Q Therapeutics, Inc.  
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### **Q THERAPEUTICS ANNOUNCES SERIES B INVESTMENT**

**Salt Lake City, UT, February 15, 2008** – Q Therapeutics, Inc, a biotechnology company pursuing cell-based therapies for the central nervous system (CNS), announced today that it has closed on a first tranche of its \$15 million Series B financing. The round was led by vSpring Capital; other investors include Invitrogen Corporation, Epic Ventures (Formerly Wasatch Venture Fund), Toucan Capital, University of Utah Research Foundation, Salt Lake Life Science Angels and Q management.

Q is conducting preclinical studies to support the filing of an Investigational New Drug Application with the FDA using Q-Cells™ (neural glial cells) for the treatment of transverse myelitis, a rapidly paralyzing subset of multiple sclerosis (MS). Clinical trials are anticipated at Johns Hopkins in 2009.

“Q is very pleased to add Invitrogen as an investor, along with the continued support of vSpring, Wasatch and Toucan,” said Deborah Eppstein, Ph.D., President & CEO of Q Therapeutics. “This investment will help accelerate our efforts to bring important new treatments to the clinic for these extremely debilitating neurodegenerative diseases. As a leader in providing many of the necessary tools for stem cell research and production, Invitrogen’s participation will further enhance our development going forward.”

“We are very pleased with the progress made by Q since our initial investment”, stated Dinesh Patel, Ph.D., Managing Director of vSpring Capital. “Q has the right combination of excellent science and a strong management team to advance its cell-based therapies and bring these important products to clinical development.”

#### **About Q Therapeutics**

Q Therapeutics, Inc., is an emerging biopharmaceutical company, venture-backed and privately held, located in Salt Lake City, Utah. 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, and is developing products to treat debilitating diseases of the central nervous system. 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 are 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 anticipated 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).

### **About the Investors**

vSpring Capital is a traditional early-stage venture capital firm with over \$350 million of committed capital under management. Specifically, vSpring targets information technology and life sciences companies headquartered in the Intermountain West region with the potential to transform their markets and create lasting value.

Invitrogen Corporation (Nasdaq:IVGN) provides products and services that support academic and government research institutions and pharmaceutical and biotech companies worldwide in their efforts to improve the human condition. The company employs approximately 4,700 scientists and other professionals and had revenues of approximately \$1.3 billion in 2007. For more information, visit [www.invitrogen.com](http://www.invitrogen.com).

Epic Ventures (Formerly Wasatch Venture Fund) was formed in 1994 in partnership with Zions Bank. Since inception, the Wasatch Team has invested in over 80 early-stage companies, with 18 profitable exits including 4 IPO's. Epic manages four technology focused venture funds.

Toucan Capital Fund II, L.P. is a \$120 million venture capital fund specializing in seed and early-stage life science investments. Toucan invests nationwide, and is one of the largest and most active venture capital investors in stem cells and regenerative medicine.

### **Safe Harbor Statement**

Certain statements contained in this press release are considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, and it is Q's intent that such statements be protected by the safe harbor created thereby. Such forward-looking statements are subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements.