



RESULTS FOR THE SECOND QUARTER 2018

- European grant application FET OPEN: 1.8 million euro requested, response on October 16th, 2018

Arles, 6 July, 2018 - CELL CONSTRAINT & CANCER, a company specializing in the treatment of cancer by mechanical signals, with pancreatic cancer as a first indication, presents its assessment of the past quarter, as well as its strategic priorities for the next quarter.

STRATEGIC REORIENTATION OF OUR FUNDING SOURCES

The CC & C shareholders' meeting was held in our offices in Arles, on May 3rd, 2018. After a presentation of the results shareholders approved unanimously the new development strategy proposed by the Board of Directors. In a favorable scientific context, but in an unfavorable tax environment, it has been noted that the funding of research will be found through partnerships with prestigious academic or scientific structures, allowing access to public funds, French, European or other. Important envelopes are needed to carry out our experiments and multi-year funding will re-direct our energies to other activities than fundraising.

If we get the European grant we will no longer need to solicit our shareholders. We can then return to institutional investors and, with experimental results, mitigate their legendary risk aversion. The prospect of an IPO is postponed until after 2021.

NANOSTRESS: 1.8 MILLION EURO REQUESTED, RESPONSE ON OCTOBER 16th 2018

On May 16th, we submitted an application for a grant of 1.8 million Euro from the European Commission as part of the NanoStress consortium. NanoStress is composed of CC & C, INSERM (Bichat Hospital, Paris), INSERM-Transfert, Bichat Hospital Pathology Department, the University of Mons in Belgium and the University of Patras in Greece ([see the full description of the consortium](#) on our site). Thanks are in particular to Delphine Smagghe and the team of INSERM-Transfert whose technicality and commitment made it possible to meet deadlines. This first joint work between all the consortium members bodes well for the future.

The purpose of the experiment will be to demonstrate the action of our patented devices on human pancreatic cancer grafted into the pancreas of mice. The experiment will last two years with a publication of the final results expected in 2021. It will be a world first, since for the first time, we will demonstrate the therapeutic action of a stress field on a pancreatic tumor in vivo. We pursue two objectives:

- to reduce the volume of tumors in order to make them accessible to surgery, thus offering a solution to 30 % of patients today incurable (around 120,000 patients / year in the world).
- to perform in vivo what has been proven many times in vitro, namely cancerous reversion, that is, the return of cancerous tissue to normal architecture and function. Get the transition from malignant to benign would be an upheaval in the understanding and treatment of cancer, comparable to what immunotherapy achieved 5 years ago.

Obtaining this budget would allow us to create two engineer-researcher positions to monitor and pilot the experiments. In addition, by giving us visibility over two years, we can focus on preparing ourselves to meet VC's and industrialists as soon as the results are published.

MITIGATION PLAN AND NEW PARTNERSHIPS IN START-UP

This European call for projects is extremely competitive (27 projects selected out of 395 during the last session). We must therefore consider failure. However, we remain relatively confident about the possibility of receiving European funds. At scientific level, all our interlocutors, be they investors, advisors or consulting firms, recognize the relevance of our research and the potential of our technology. We are therefore expecting a positive return on this point from the jury. The lack of notoriety of CC & C could be our weak point. Internationally renowned research centers participate the FET-OPEN competition more often than SMEs in Provence! If we were to be refused, but with a good scientific record, we would table for the next session of 24 January 2019, taking advantage of the deadline to take into account the comments of the jury and to interest other prestigious partners.

Moreover, the NanoStress project does not cover all the experiments that could be carried out: there is no data exists on the in vivo response of different cancer lineages (colon, liver, kidney, etc.); it is also necessary to model the efficiency of the process according to the quantity of nanoparticles infused, the orientation, the power, the frequency of the gradient, the time of exposure, and to seek compatibilities with already existing machines dedicated to other uses, for example in imaging. It is in that spirit that we lead discussions with potential new partners: a German industrialist and a Marseilles research laboratory, for research projects that complement the work of NanoStress. We often explain that our research could be conducted quickly (4 years) because the physical sciences, unlike life sciences, allow parallel experiments, modeling and extrapolation of results and decrease of biological hazard. This is a perfect example.

NEWS FROM CALIFORNIA

To avoid creating duplicate with the European team, and in agreement with Pr. G. Pratx, our correspondent at Stanford University, we decided to reorient the American experiment to the study of in vitro [organoids](#). Stanford facilities will be used here, since they already dispose of a field-gradient generator prototype and many human cancer lines to test tumor cell responses with a high intensity gradient on diverse tumors. A first step towards a therapy applied to cancers other than pancreatic. Funding is expected for the beginning of 2019, with first experimental results in the summer. As a result, our visit to Stanford is scheduled for 2019.

COMING FOR THE THIRD QUARTER OF 2018

The life of the company is obviously depending on the result of the FET-Open, which will be given at the latest on October 16th. For the next three months, three projects are waiting for us:

- **finalize new partnerships**: establish experimental protocols, and sign cooperation agreements,
- **finalize the experimental protocol at Stanford** and file an application for funding to the National Cancer Institute,
- **Anticipate the outcome of the FET-Open** by writing job descriptions for hiring and setting the groundwork for a consortium-wide communication strategy.

Next appointment: June 30, 2018 - Update on Q3 2018 activity

Find all the information on CELL CONSTRAINT & CANCER:

<http://new.cellconstraintcancer.com/>



About CELL CONSTRAINT & CANCER

Founded in 2009 by Rémy BROSSEL, medical oncologist and physicist, CELL CONSTRAINT & CANCER develops innovative treatments based on [physical oncology](#), complementary to current approaches to oncology. Addressing primarily non-metastatic non-operable tumors, such as cancer of the pancreas, brain, or liver, the company published in May 2016 a proof of concept of slowing the growth of an in vivo grafted cancer tumor, by the action of mechanical signals (read our article: [Mechanical signals inhibit growth of a grafted tumor in vivo: Proof of Concept](#)).

The establishment of major partnerships (CNRS, INSERM, Stanford University) and the support of its shareholders since its beginning allow it today to initiate a new phase of experiments on animals intended to provide proof of the effectiveness of its technology on unmet medical needs.

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