



Fate Therapeutics



**FATE THERAPEUTICS AND STEMAGENT LAUNCH CATALYST:
A UNIQUE INDUSTRY PROGRAM FOR FIRST ACCESS TO
THE MOST ADVANCED INDUCED PLURIPOTENT STEM CELL TECHNOLOGY**

Catalyst to Provide Proprietary Protein and Small Molecule Products for the Generation and Differentiation of Genomically-Unaltered Induced Pluripotent Stem (iPS) Cells

La Jolla, CA and Boston, MA – April 23, 2009 – Fate Therapeutics, Inc. and Stemgent, Inc. announced today the formation of Catalyst, a collaborative one-of-a-kind program to provide pharmaceutical and biotechnology companies with the most advanced induced pluripotent stem (iPS) cell technology platform for drug discovery and development.

Catalyst will include the revolutionary protein-based reprogramming technology pioneered by Sheng Ding, Ph.D., published for the first time today in *Cell Stem Cell*. Dr. Ding, an associate professor of The Scripps Research Institute and scientific founder of Fate Therapeutics and Stemgent, is the first to report the creation of iPS cells using cell-penetrating proteins, a technique that effectively eliminates any risk of genetic modification. Catalyst will also include pioneering discoveries by Rudolf Jaenisch, M.D., a founding member of the Whitehead Institute, scientific founder of Fate Therapeutics and scientific advisory board member of Stemgent, who last month produced the first Parkinson's disease patient-derived iPS cells free of viral reprogramming factors.

In exchange for annual funding, Catalyst-member companies will gain exclusive access to proprietary iPS cell technology, including specific iPS-derived cells for toxicity testing and primary screening. Fate Therapeutics and Stemgent will jointly guide and share the expenses of the development of products under Catalyst.

Revolutionary Products Available for First Time

“The creation of Catalyst represents the first time that many of these cutting edge technologies will be made available to industry,” said Ian Ratcliffe, Stemgent’s president and chief executive officer. “Dr. Ding’s ground-breaking methods using proteins and small molecules to generate iPS cells and Dr. Jaenisch’s innovative generation of a new way to model Parkinson’s disease are just a few examples of the revolutionary products that will be made available – in commercial grade quality, reliability and scale – to Catalyst members.”

Fate Therapeutics continues to be the leader in developing small molecules and biologics to modulate cell fate for regenerative medicine and therapeutic reprogramming indications, including hematological diseases, metastatic cancer, traumatic injury and degenerative diseases. Stemgent accelerates the translation of stem cell science by providing application validated, proprietary reagents and tools developed by some of the world’s leading stem cell scientists.

Commenting on Catalyst, Mr. Ratcliffe said, “Fate Therapeutics’ stem cell biology expertise and Stemgent’s superior reagent design and production capabilities make Catalyst an unmatched opportunity for the development of optimized small molecules and protein reagents for efficient and reproducible iPS cell generation and differentiation.”

“Catalyst is the sole industry opportunity to access the most advanced iPS cell technology platform,” said Paul Grayson, Fate Therapeutics’ president and chief executive officer. “The Catalyst program represents a unique business collaboration amongst its participants to accelerate the translation of iPS cell technology into the discovery and development of safer and more effective therapeutics.”

iPS cells are made by “reprogramming” fully differentiated mature cells, such as adult skin cells, to become pluripotent or stem-cell like and do not rely on the use of stem cells derived from embryos. Because iPS cells can differentiate into any cell type, iPS cells are considered of great importance to medicine because they can be used to model human diseases, discover and test drug candidates and develop personalized cell therapies. Previously, iPS cell generation required the delivery of genetic material through viruses or plasmids, which carry risks from insertion and are time-consuming, inefficient methods. Now, in collaboration with Dr. Ding, Fate Therapeutics and Stemgent have developed small molecules and proteins for the safe and efficient creation of high quality iPS cells that can reproducibly differentiate into essential cell types for drug discovery and development.

“Catalyst’s technology – creating and differentiating iPS cells into distinct cell types – will uncover the essential epigenetic and gene expression profiles associated with the derivation of specific cell lineages,” said Mr. Grayson. “These same technologies will prove critical in our discovery and development of conventional pharmaceuticals to guide cell fate for therapeutic benefit.”

About Fate Therapeutics, Inc.

Fate Therapeutics is interrogating stem cell biology to develop therapeutics based on modulating cell fate and to enable a new drug discovery paradigm with the Company’s proprietary induced-pluripotent stem (iPS) cell technology. The Company’s first therapeutic candidate is scheduled to enter clinical trials in early 2009 in hematopoietic reconstitution. Fate Therapeutics is a private biotech company headquartered in La Jolla, CA. For more information, please visit <http://www.fatetherapeutics.com>.

About Stemgent, Inc.

Stemgent advances stem cell science by providing proprietary reagents and tools developed by some of the world’s leading stem cell scientists. Stemgent’s product offering has been specifically optimized for and screened against stem cells, and includes small molecules for pluripotency, self-renewal, and differentiation, viral-delivered transcription factors, matrices, cell lines, cytokines, antibodies, transfection reagents, and more. This unique product mix is designed to serve researchers who study stem cell biology and regenerative medicine, and those who use cells derived from stem cells as tools to advance their understanding of major diseases. With dual headquarters in Boston, MA, and San Diego, CA, Stemgent is well positioned to serve these major research markets. For more information, please visit <http://www.stemgent.com>.

Fate Therapeutics and Stemgent, along with Genzyme, Burrill & Company and WIRED Magazine, will be featured in a panel presentation entitled “Mastering Your (Cell) Fate: Stem Cells, iPSCs and the Future of Medicine” on May 18, 2009 at 2 p.m. at the 2009 BIO International Convention in Atlanta, GA.

###