

## **BrainCells Inc. Completes \$30 Million Initial Closing of Series B Financing**

### **MedImmune's William Bertrand, Jr., J.D., joins BrainCells' Board of Directors**

SAN DIEGO, March 10 /PRNewswire/ -- BrainCells Inc. (BCI), a biopharmaceutical company utilizing its platform technology to identify and develop compounds that promote the growth of new neurons for the treatment of central nervous system (CNS) diseases, announced today that it has completed a \$30 million initial closing of its Series B financing. New investor MedImmune Ventures joined previous investors Bay City Capital, Oxford Bioscience Partners, Technology Partners, Pappas Ventures and Neuro Ventures in the round. The financing will be used to continue clinical development of BCI's product candidates including BCI-540, and to identify additional assets to further expand its pipeline.

As a part of the Series B financing, BCI also announced the addition of William Bertrand, Jr., J.D., senior vice president and general counsel of MedImmune, to its Board of Directors. Prior to joining MedImmune in 2001 as vice president of legal affairs, Bertrand served in various legal positions at Pharmacia Corporation. He was also general counsel for a life insurance company, a partner at Dickinson, Wright, Moon, Van Dusen & Freeman, and has taught courses at various institutions including the Seton Hall University School of Law.

"The strong interest in this round by our existing investors as well as a new, high-quality investor such as MedImmune Ventures validates the progress the company has made in the area of neurogenesis," said Jim Schoeneck, CEO of BCI. "We are delighted to have MedImmune Ventures join and for Bill to now be a member of our board, bringing his legal expertise and more than a decade of experience in the biotechnology and pharmaceutical industries."

"BCI's application of groundbreaking science in neurogenesis to the treatment of mood disorders and other neurological conditions has the potential to provide a novel treatment paradigm," commented William Bertrand, Jr. senior vice president and general counsel of MedImmune. "I look forward to working with the BCI management team and its board as the company advances its lead product candidates toward clinical proof of concept."

BCI's lead product candidate, BCI-540, is being investigated for the treatment of depression and anxiety disorders. It will enter Phase II development in 2008. BCI-540 was in-licensed from Mitsubishi Pharmaceutical Corporation and has been clinically tested in more than 700 patients, demonstrating its well defined safety profile. Other product candidates, including two combination products for CNS disorders and an in-licensed compound, BCI-632, from Taisho Pharmaceutical Co., Ltd., will also be moving towards clinical studies over the next 12 months.

#### About BrainCells Inc.

BrainCells Inc. (BCI) is a San Diego-based drug discovery and development company that is applying its proprietary neurogenesis platform technology to identify and reposition compounds for the treatment of central nervous system (CNS) diseases. Neurogenesis is the process by which endogenous stem cells in the adult human brain produce new brain tissue, including neurons. With its predictive screening platform, BCI can direct the selection and development of neurogenic compounds, increasing the opportunity for successful clinical trials in a variety of CNS indications. For more information, visit <http://www.braincellsinc.com>.

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