



For Immediate Release  
Bill Wells – 404-281-7490

## **DiaKine Therapeutics Announces Financing and New Board Member**

*Dr. J. James Frost is an expert in molecular imaging, clinical trials, and grant financing*

CHARLOTTESVILLE, VA (September 3, 2008) – [DiaKine Therapeutics](#), developers of drugs designed to cause diabetes to go into remission, today announced that [BlueTree Allied Angels](#) has invested in the company. Additionally, J. James Frost M.D., Ph.D., M.B.A has been elected as BlueTree’s representative on DiaKine’s Board of Directors.

“The investment by BlueTree Allied Angels is a further validation of DiaKine’s technology and resident expertise,” said Keith D. Ignatz, DiaKine CEO and President. “As we plan to begin two Phase 2 clinical trials over the next several months, Dr. Frost’s expertise will help us move these groundbreaking drugs from the clinic to the patients who need them.”

“I am pleased to join the DiaKine team and support them as they bring to market these promising immune-modulating drugs targeting diabetes and its complications,” said Dr. Frost. “The investors at BlueTree see an excellent opportunity to participate in the early development stages of what could be several blockbuster drugs eliminating the suffering caused by diseases of the auto-immune system such as type 1 diabetes.

Dr. Frost received his M.D. and Ph.D. degrees from Washington University; his Ph.D. degree is in nuclear and radio chemistry. Dr. Frost also obtained an M.B.A. degree from John Hopkins University. As a principal investigator, Dr. Frost has generated over \$12 million in public and private grants and he has participated as a project leader and co-investigator in research that was awarded an additional \$32 million in grant funding in the areas of in vivo molecular and biomarker imaging. He has over 100 peer-reviewed articles in scientific journals. He has been the principal investigator and managed 12 Investigational New Drug Applications and numerous Institutional Review Board protocols. Dr. Frost served for 15 years on the Johns Hopkins Institutional Review Board and reviewed human investigation protocols spanning all areas of medical research.

DiaKine is developing a portfolio of immune-modulating drugs with novel anti-inflammatory properties. The lead compound, [Lisofylline](#) (LSF) has shown to improve cellular mitochondrial function and to reduce interleukin 12 (IL-12) signaling and STAT-4 activation in target cells and tissues. IL-12 and STAT 4 activation are important pathways linked to inflammation and immune damage to insulin

###MORE###

producing cells.

**About DiaKine --**

DiaKine Therapeutics, Inc. is a development stage company commercializing novel immune modulators initially targeting the treatment of autoimmune and inflammatory diseases such as diabetes and related complications. These new drugs regulate cytokines, part of the body's immune system, which mistakenly attack tissue and cause inflammation. [Therapeutics](#) under development by DiaKine include: adjunct therapy to islet cell transplants, halting the progression of type 1 diabetes in newly diagnosed adults, treatment and prevention of Latent Autoimmune Diabetes of Adults (LADA), treatment and prevention of insulin requiring type 2 diabetic, treatment and prevention of diabetes complications. For more information, visit [www.diakine.com](http://www.diakine.com).

**About BlueTree --**

BlueTree Allied Angels is a regional group of accredited investors who desire to invest in regional early-stage companies. This members-only organization is designed to operate as a network of private equity investors who meet on a monthly basis to evaluate and consider pre-institutional, early-stage investments. The organization provides the structure to aggregate money, knowledge and experience of the membership. Leveraging the members' knowledge and experience helps mitigate investment risk, thus strengthening the probability of investment success. Although the membership works together as a group to efficiently and effectively evaluate investment opportunities, each member makes his/her own individual decisions to invest. For more information, visit [www.bluetreealliedangels.com](http://www.bluetreealliedangels.com).

###END###