

## **NovaQuest Capital Management to Acquire Viamet Pharmaceuticals and the VT-1161 Antifungal Program**

*NovaQuest Capital to advance the clinical development of VT-1161 for the  
treatment of RVVC and Onychomycosis*

RESEARCH TRIANGLE PARK, N.C., January 3, 2018 – [Viamet Pharmaceuticals \(NC\), Inc.](#) (“Viamet Pharmaceuticals”) today announced that it has entered into an agreement with NovaQuest Capital Management, L.L.C. (“NovaQuest Capital”) for the acquisition of Viamet Pharmaceuticals, including the company’s product candidate, VT-1161, which successfully completed Phase 2b clinical trials for the treatment of recurrent vulvovaginal candidiasis (RVVC) and onychomycosis, or fungal nail infection. Upon closing of the acquisition, Viamet Pharmaceuticals will be a portfolio company of NovaQuest Capital, which will focus on further development of VT-1161 and related assets. Viamet Pharmaceuticals is a subsidiary of Viamet Pharmaceuticals Holdings, LLC, which will retain ownership of the remaining Viamet group of companies and assets, including worldwide rights to the MIDAS (Metalloenzyme Inhibitor Design And Synthesis) technology platform and development programs addressing invasive fungal infections, oncology and orphan diseases.

Key members of Viamet Pharmaceutical’s development team will be employed by the NovaQuest Capital portfolio company, which will maintain operations in Research Triangle Park, N.C. NovaQuest Capital Partner, Patrick Jordan, will assume the role of the company’s interim Chief Executive Officer. Robert Schotzinger, M.D., Ph.D., will remain as President and Chief Executive Officer of the Viamet group of companies.

“The team at NovaQuest Capital has been providing novel solutions to the biopharmaceutical industry to fund the development and commercialization of key assets for nearly two decades. Our team has become increasingly involved in operations with our partner companies, and this acquisition is a logical next stage in the evolution of our business,” said Ron Wooten, Chief Investment Officer and Founding Partner of NovaQuest Capital.

“There were many partnering opportunities for VT-1161 that arose given the impressive positive data that emerged from the Phase 2b trials in RVVC and onychomycosis. A key criterion for us when evaluating these opportunities was the commitment of the partner to the areas of women’s health and dermatology. In NovaQuest, we found a partner that shared our vision and enthusiasm regarding the need to advance novel treatments in these underserved therapeutic areas,” said Dr. Schotzinger. “At the Viamet group, we will continue to focus on leveraging our metalloenzyme expertise in therapeutic areas including infectious disease, oncology and orphan diseases. We believe that VT-1161 is only the first of many exciting future candidates that will emerge from our MIDAS technology.”

“The data for Viamet Pharmaceutical’s VT-1161 program are very compelling, and we see the potential for VT-1161 to become a centerpiece for NovaQuest Capital in the fields of women’s health and dermatology,” said Mr. Jordan. “VT-1161 has demonstrated a high degree of potency against *Candida* species, and potentially a higher barrier to drug resistance. Furthermore VT-1161 may avoid the side effects that limit the use of current oral antifungal therapies, such as liver toxicity and drug-drug interactions, underscoring its potential to be a first-in-class treatment option for patients with RVVC and a best-in-class treatment option for patients with onychomycosis.”

Approximately 5 to 8 percent of women of childbearing age suffer from RVVC, and there are currently no approved therapies in the United States. RVVC can lead to intense discomfort and a substantial negative impact on psychological well-being. Onychomycosis, a fungal infection that primarily involves the nail, nail bed and surrounding tissues, is an extremely common infection, affecting approximately 32 million

individuals in the United States. It can be a significant medical issue for diabetics or other patients with compromised immune systems or poor circulation of the lower extremities.

Financial terms of the acquisition are not being disclosed. The transaction is subject to customary closing conditions, including the expiration of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976. Guggenheim Securities, LLC acted as financial advisor, and Wilmer Cutler Pickering Hale and Dorr LLP acted as legal advisor, to Viamet Pharmaceuticals. Wyrick Robbins Yates & Ponton LLP acted as legal advisors to NovaQuest Capital.

**About VT-1161**

VT-1161 is a potent and selective, orally-administered inhibitor of fungal CYP51 which has successfully completed Phase 2b clinical trials for the treatment of recurrent vulvovaginal candidiasis (RVVC), a common and difficult to treat infection in women, and onychomycosis, or fungal nail infection. VT-1161 blocks the production of ergosterol, an essential component of the fungal cell membrane. In preclinical studies, VT-1161 has demonstrated broad-spectrum activity against both *Candida* species and dermatophytes, including those species that cause RVVC and onychomycosis. Given the clinical and preclinical profile of VT-1161, Viamet Pharmaceuticals believes that it may avoid the side effects that limit the use of current oral antifungal therapies, such as liver toxicity and drug-drug interactions. The U.S. Food and Drug Administration (FDA) has granted Qualified Infectious Disease Product (QIDP) and Fast Track designations to [VT-1161 for the treatment of RVVC](#).

**About NovaQuest Capital Management, L.L.C. ([www.novaquest.com](http://www.novaquest.com))**

NovaQuest Capital Management is a leading investor in life sciences and healthcare through our BioPharma and Private Equity strategies. NovaQuest was formed in 2000 with the vision of building an investment platform to provide strategic capital to life sciences and healthcare companies. Today, NovaQuest Capital Management manages over \$1.6 billion through its BioPharma and Private Equity strategies. The investment team consists of highly seasoned operational and investment professionals with significant investment experience and deep life science and healthcare expertise. Furthermore, NovaQuest benefits from an extensive network of industry experts and relationships that assist in identifying, analyzing and growing NovaQuest portfolio companies and investments. For more information, please visit [www.novaquest.com](http://www.novaquest.com).

**About Viamet Pharmaceuticals ([www.viamet.com](http://www.viamet.com))**

Viamet Pharmaceuticals discovers and develops breakthrough therapies based on our leadership in metalloenzyme chemistry and biology. Our clinical portfolio includes novel agents to treat both chronic and life threatening fungal infections. We also leverage our metalloenzyme expertise in other therapeutic areas including oncology and orphan diseases. Focusing on the needs of patients and clinicians, we design our drug candidates to achieve superior efficacy and safety profiles compared to currently marketed drugs.

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