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**Tethys Raises \$33 Million**

**EMERYVILLE, CALIF., – July 21, 2010** - Tethys Bioscience, Inc., a privately held company, announced today that the company has recently raised \$33 million, comprising \$23 million of venture financing and a \$10 million working capital loan. Participants in the venture financing included new investors Greenspring Associates, Inc. (formerly Montagu Newhall Associates, Inc.) and Paul Capital Investments, as well as current investors. The working capital loan was provided by Oxford Finance Corporation and Silicon Valley Bank. The additional \$23 million brings the total raised in the company's Series D round to \$48 million. These proceeds will support expanded commercialization of the Tethys PreDx™ Diabetes Risk Score (DRS), a simple-to-use, multimarker blood test that enables accurate identification of patients who have a high risk of developing type 2 diabetes within five years.

"We believe that Tethys represents an excellent investment opportunity based on the growing market penetration of PreDx DRS, successful implementation of sound financial, commercial and strategic initiatives and a robust patent estate," said John Avirett, Principal, Greenspring Associates. "We are pleased to join with other investors to support the company's continued progress toward building a sustainable, profitable business."

"Tethys is executing an aggressive program to drive market uptake of the PreDx Diabetes Risk Score for the identification of patients at high risk of developing type 2 diabetes," said Mickey S. Urdea, PhD, chairman and chief executive officer of Tethys. "Since early 2009, more than 15,000 PreDx tests have been ordered in the US by physicians for patients they suspect to be at risk for the disease. We plan to continue to build market share through our regional sales force growth, partnerships and strategic alliances, and to expand access to programs designed to motivate patients to adopt the lifestyle and behavioral changes necessary to preempt development of disease."

### About PreDx™ Diabetes Risk Score

PreDx DRS was developed using a unique approach to quantifying biomarkers suspected of playing roles in diabetes development. Tethys technology enabled evaluation of many biomarkers utilizing very small amounts of blood from select and well-characterized large study cohorts with known diabetes outcomes. The company then determined the combination of these biomarkers with an algorithm that best identified an individual's risk of developing type 2 diabetes within five years. PreDx DRS has been validated by the Tethys Clinical Laboratory (TCL) in several large populations. The test uses standard immunoassay formats, sample collection and shipment methods. Currently performed exclusively by the CLIA-certified TCL, the test generates a Diabetes Risk Score between 1 and 10 that corresponds to an absolute percentage risk of developing disease.

### About Type 2 Diabetes

Of the more than 57 million Americans who are categorized as being at high risk for diabetes based on conventional testing, most will never develop diabetes. PreDx DRS facilitates identification of the 10-20 percent of individuals at the highest, near-term risk, for whom intervention may be most beneficial.

Diabetes represents the largest pandemic in history: 171 million people worldwide have diabetes with hundreds of millions more at risk. Diabetes is, however, preventable. PreDx DRS offers a simple-to-use, accurate, validated tool to identify patients at imminent risk of developing diabetes while there is still time to forestall disease progression.

### About Tethys

Tethys is a cardiometabolic diagnostics company that creates and commercializes breakthrough biomarker-based blood tests that predict imminent disease risk and enable targeted intervention to preempt the onset of chronic conditions such as type 2 diabetes. Tethys introduced its first product -- PreDx™ Diabetes Risk Score -- to the market in 2008, and initiated sales in 2009. The Tethys PreDx platform includes products in development to determine risk for first-time heart attack, osteoporotic fracture and other cardiometabolic diseases with the goal of improving health outcomes and reducing the devastating economic impact that debilitating, preventable diseases have on individuals and society. For more information about Tethys and PreDx DRS, please visit [www.tethysbio.com](http://www.tethysbio.com).

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