



FOR IMMEDIATE RELEASE

ChanRx Secures Series A Funding

Cleveland, OH (Nov. 21, 2011) – ChanRx is developing a superior drug for treatment of atrial fibrillation (AFIB), and has closed its Series A funding with investments from Sante Ventures and company founder, Dr. Arthur "Buzz" Brown. The company, a spin out of Cleveland-based ChanTest, will use the funding to further evaluate the safety and efficacy of its proprietary AFIB drug, vanoxerine.

AFIB is the most common cardiac rhythm disorder affecting over 2 million people in the United States. In AFIB, the heart beats chaotically and rapidly which results in poor circulation and increased risk of blood clots and stroke. The drugs used currently carry a risk of lethal cardiac arrhythmias including ventricular fibrillation and Torsades des Pointes. With the aging of the population, AFIB will continue to become more prevalent.

ChanRx's drug, vanoxerine, has demonstrated an excellent safety profile in six previous Phase I clinical trials. A Phase IIa proof-of-concept study showed that it can convert people in paroxysmal AFIB to sinus rhythm. This funding will allow ChanRx to run an escalating dose Phase IIb study to further optimize the safety and efficacy of vanoxerine.

"ChanRx's founding team has laid the scientific and clinical groundwork to improve the lives of millions of people affected by atrial fibrillation. We are pleased to partner with the company to help drive the next phase of commercialization for this promising drug," stated Kevin M. Lalande, Managing Director of Sante Ventures.

ChanRx was spun out of parent company ChanTest in 2006. ChanTest is the world's most trusted ion channel services company with particular expertise in testing pharmaceutical compounds for cardiac safety. ChanTest was started in 1998 by Dr. Brown, a world-renowned expert in ion channels and is partnered with Ampersand Ventures.

Dr. Brown, founder of ChanTest and ChanRx, said, "Ampersand Ventures and I are delighted to have Sante Ventures as our lead investor in this round. Our preclinical and clinical studies have shown that the drug is effective in terminating AFIB without introducing QT prolongation which is an important clinical biomarker for cardiac risk. We look forward to improving efficacy and safety outcomes as we optimize dosage."

BioEnterprise, a Cleveland bioscience accelerator, assisted Dr. Brown in the spin out and incubation of ChanRx. The accelerator aided ChanRx by lending the company R.K. Khosla, a seasoned entrepreneur, to function as CEO.

"I thank BioEnterprise for lending me their CEO-in-Residence, R. K. Khosla, to structure the financing and see the deal completed. We are pleased that R.K has agreed to remain CEO of ChanRx," said Dr. Brown.

"I am thrilled to assume the position of CEO of ChanRx," said R.K. Khosla. "The company has a great product, deep clinical expertise and experienced backers."

About Sante Ventures

Sante Ventures is a life sciences venture capital firm that invests exclusively in companies developing innovative new technologies and delivery models for the healthcare industry. The firm was founded in 2006 and manages \$260 million in capital in two funds. For more information, visit www.santeventures.com.

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