

Viracta acquires Phase 2 epigenetic drug candidate from Chroma Therapeutics

San Diego and London; November 30, 2016 – Viracta Therapeutics, Inc. announced completion of its acquisition of drug development candidate, VRx-3996, from Chroma Therapeutics, Ltd.

Viracta plans to advance VRx-3996 (previously CHR-3996) into Phase 2 clinical testing for application in Viracta's proprietary anticancer combination therapy approach. The Company will initially focus on Epstein Barr Virus-associated lymphoid malignancies. Additional applications include a range of EBV-associated cancers and other serious diseases. The Company believes that its viral activation therapy platform and VRx-3996 hold potential to treat cancers and other disease associated with a range of viral pathogens.

"We are excited to complete our acquisition of VRx-3996 from Chroma, and thank the Chroma team for the excellent work that they contributed to discover and advance the drug candidate through early clinical development," said Viracta Chief Executive Officer, Ivor Royston, M.D.

"As a leader in the viral activation therapy field, we are pleased to have Viracta advance 3996 to potentially benefit patients with viral-associated cancers," said Chroma CEO, Richard Bungay.

"VRx-3996 has demonstrated ideal characteristics for use in Viracta's viral activation therapy approach, and we look forward to advancing into clinical testing to treat EBV-associated cancers," commented Viracta Chief Medical Officer, Marshelle Smith Warren, M.D.

About VRx-3996

VRx-3996 belongs to a clinically validated drug class called histone deacetylase (HDAC) inhibitors, which affect association of DNA with histones to alter gene expression patterns. VRx-3996 is selective for Class 1 HDACs, including isoforms targeted in Viracta's viral activation approach. It exhibited favorable pharmacokinetic and pharmacodynamics properties as well as favorable tolerability profile after oral administration in a Phase 1b trial in cancer patients as a single agent. In non-clinical testing, VRx-3996 was among the most potent activators of targeted viral genes. When applied in combination with an antiviral pro-drug in Viracta's viral activation therapy approach, VRx-3996 drives selective killing of EBV-positive cancer cells.

About Chroma-Viracta Transaction

Under the VRx-3996 asset purchase agreement, Viracta acquired rights to VRx-3996 for all geographies and applications in exchange for issuance of Viracta equity to Chroma.

About Viracta

Viracta is a clinical-stage drug development company committed to advancing new medicines based on its proprietary viral activation therapy approach to benefit patients with viral-associated cancers and other serious diseases.

Special Cautionary Note Regarding Forward Looking Statements

This communication contains statements that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements regarding our plans, objectives, intentions, beliefs, expectations and assumptions or future events, performance or results of performance, as well as other statements that are not necessarily historical facts. You are cautioned that these forward-looking statements are only predictions and are not guarantees of future performance and involve risks and uncertainties. Our actual results may differ materially from those described in our forward-looking statements due to various factors, including research and development progress and outcomes, competition, market factors, general economic conditions and other factors described above. The information contained herein describes several, but not all, important factors that could cause these differences. Further, any forward-looking statement speaks only as of the date as of which it is made. We do not intend to update or revise any forward-looking statements, whether because of new information, future events or otherwise.