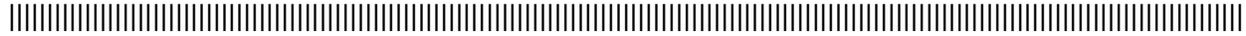




August 11, 2016
Press Release



Zymeworks and Innovative Targeting Solutions Enter Collaboration and License Agreement to Advance Biotherapeutics Research and Development

Vancouver, Canada (August 11, 2016) – Zymeworks Inc. and Innovative Targeting Solutions (ITS) today announced that they have entered into a research collaboration, which will complement Zymeworks’ efforts in the discovery, research, and development of novel biotherapeutics. Under the terms of the collaboration, Zymeworks will in-license and integrate ITS’ proprietary HuTARG™ platform to help identify and develop therapeutics directed towards challenging disease targets.

Ali Tehrani, Ph.D., President and CEO of Zymeworks, stated, “We view the HuTARG™ platform as a leading technology for the discovery and generation of therapeutic antibodies. This further strengthens our in-house antibody discovery capabilities and accelerates the development of Zymeworks’ novel bi-specific and multi-functional biologics and drug conjugates.”

HuTARG™ is a first-in-class protein engineering platform and represents a disruptive technology in the field. It is the first fully mammalian technology that generates antibody diversity in vitro via RAG1/RAG2 mediated V(D)J recombination, allowing for the generation and affinity maturation of highly potent protein-based biologics.

Michael Gallo, Ph.D., President of Innovative Targeting Solutions Inc., remarked, “Zymeworks is a leader in the development of innovative biotherapeutics. Together with our first-in-class protein engineering technology, they will be able to discover novel medicines that can transform the lives of people with grievous illnesses.”

Under the agreement, Zymeworks will pay a technology licensing fee to integrate and use the HuTARG™ platform. In addition, ITS will receive, on a per product basis upon successful development and commercialization, up to USD\$65 million in clinical and commercial milestones and low single-digit royalties on net sales. Additional financial terms have not been disclosed.

About Innovative Targeting Solutions Inc.

Founded in 2008, Innovative Targeting Solutions Inc. is a privately-held company that has developed a next generation protein engineering platform for the generation of fully human antibody and T cell receptor based therapeutics using its proprietary HuTARG™ technology. The HuTARG™ technology is a fully mammalian technology that generates antibody diversity in vitro

via RAG1/RAG2 mediated V(D)J recombination. For more information, visit www.innovativetargeting.com.

About Zymeworks Inc.

Zymeworks is a privately held biotherapeutics company that is developing best-in-class Azymetric™ bi-specific antibodies and antibody drug conjugates for the treatment of cancer, autoimmune and inflammatory diseases. The company's novel Azymetric™, AlbuCORE™, and EFECT™ platforms, its Zymelink™ conjugation platform and cytotoxins, and its proprietary ZymeCAD™ structure-guided protein engineering technology, enable the development of highly potent bi-specific antibodies, multivalent protein therapeutics, and antibody drug conjugates across a range of indications. Zymeworks is focused on accelerating its preclinical biotherapeutics pipeline through in-house research and development programs and strategic collaborations. More information on Zymeworks can be found at www.zymeworks.com.

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