

Stromedix Secures Additional \$5M in Debt Financing

-- Company Poised to Initiate Phase 2 Trial for STX-100 in Idiopathic Pulmonary Fibrosis --

CAMBRIDGE, Mass., September 28, 2011 – Stromedix, Inc., a biotechnology company focused on innovative therapies for fibrosis and organ failure, announced today that it has raised an additional \$5 million in debt financing from current investors, including Atlas Venture, New Leaf Venture Partners, Bessemer Venture Partners, and Red Abbey Venture Partners.

Stromedix plans to use the proceeds from this financing to advance its clinical and preclinical pipeline. In the fourth quarter of 2011, Stromedix expects to move its STX-100 program into a Phase 2 clinical trial for the treatment of idiopathic pulmonary fibrosis (IPF), a debilitating and almost uniformly fatal disease in which patients experience progressive difficulty breathing due to fibrosis (scarring) of the lung. There are currently no FDA-approved treatments for IPF.

“Fibrosis is one of the most dynamic areas of drug development today, with a well-established understanding of the fundamental biology, tremendous unmet medical need, and a recent flurry of partnerships and acquisitions in the pharmaceutical sector,” said Michael Gilman, Ph.D., Founder and Chief Executive Officer of Stromedix. “Stromedix has built a deep knowledge base in fibrosis, including the creation of robust biomarker panels for use in lung and kidney disease. We look forward to putting this knowledge to work for patients as we begin a Phase 2 trial for STX-100 in IPF patients later this year.”

About Fibrosis and Organ Failure

Fibrosis results from the body’s attempt to repair chronic tissue injury. Ongoing cycles of injury and repair, often playing out over decades, lead to accumulation of scar tissue in affected organs and disruption of normal tissue architecture and function. Ultimately the organ fails. Fibrosis is the final common pathway in virtually all forms of chronic organ failure, whether in kidney, liver, lung, or other organs, conditions affecting tens of millions of patients in the United States. Nearly 45% of all deaths in the developed world are attributed to some type of chronic fibrotic disease. Moreover, the biology of fibrosis is similar regardless of cause – viral, chemical, physical or inflammatory. Fibrosis results from the excessive activity of fibroblasts, in particular a differentiated form known as the myofibroblast. The biology of these cells is well understood and there is consensus among experts that pharmacological attenuation of myofibroblast activity ought to slow or perhaps even reverse disease progression, thereby preserving organ function and prolonging healthy life.

About Stromedix

Stromedix is a privately held biotechnology company based in Cambridge, Massachusetts, focused on innovative therapies for fibrosis organ failure. The company’s lead compound, STX-100, has completed a Phase 1 clinical trial, and a Phase 2 trial in patients with idiopathic pulmonary fibrosis is expected to begin in late 2011. For more information on Stromedix, please visit <http://www.stromedix.com>.

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