



Ag Capital Canada

eQcell and Ag Capital Canada Announce Completion of Capital Raise

August 2, 2022

GUELPH, ON – eQcell Inc., a Canadian clinical-stage company, and Tillsonburg, Ontario-based private equity fund Ag Capital Canada (ACC) are pleased to announce the completion of a C\$1.1 million capital investment.

eQcell is the first company in Canada to receive Health Canada authorization for the clinical testing of mesenchymal stromal cells (MSCs) for the treatment of equine and canine arthritis. Trials of this treatment are ongoing in Canada and the US. Osteoarthritis is the most common cause of chronic lameness in horses and dogs and the fastest-growing cause of disability in humans worldwide. It has no cure.

Ag Capital Canada's investment provides eQcell with additional funding to advance its clinical stromal cell development programs and expand its therapeutic pipeline. Horses and dogs with naturally occurring osteoarthritis tend to yield data that is more clinically relevant to human osteoarthritis than do traditional laboratory animal pre-clinical models.

eQcell is following this now-established science in pursuing a "One-Health" approach. Success in these trials could lead to the application of the platform for human development.

Commercially, the path to market for veterinary trials is significantly shorter than for human trials, which can result in early revenues from successful development. Importantly, safety and efficacy data from veterinary trials may significantly reduce the high rate of failure reported in late-stage human clinical trials.

"This investment by ACC, an industry-specific investment fund, is a significant milestone for eQcell," said Dr. Thomas Koch, Founder and CEO of eQcell. "Furthermore, eQcell shares ACC's ambition for creating high-value companies and jobs in Canada. We look forward to working with the outstanding team at ACC and benefitting from its broad and varied local, national and international relationships in financing and business development."

John Lansink, Managing Partner at Ag Capital Canada, responded: "We at Ag Capital Canada have been following Dr. Koch and his research for several years now. The pioneering work he and his team are doing has the potential to change the availability and application of osteoarthritis treatments for the animal health industry."

About eQcell

eQcell is Canada's premier clinical-stage regenerative medicine company. The mesenchymal stromal cells (MSCs) produced by eQcell are the result of 15 years of research, development and treatment of horses and dogs at the University of Guelph's Ontario Veterinary College. This institution is recognized as one of the top-five veterinary universities in the world. eQcell, together with Rood & Riddle Equine Hospital and Colorado State University's Translational Medicine Centre & Veterinary Hospital, is also conducting a clinical trial in septic arthritis in horses using MSCs to treat chronic, drug-resistant infections. For more information on eQcell, visit www.eqcell.com

About Ag Capital Canada

Ag Capital Canada (ACC) is a private equity fund which invests in Canadian ag and food innovation and small business growth. ACC aims to discover, develop and nurture Canadian agricultural businesses through capital investment, business-management mentorship and entrepreneurial expertise. For more information on ACC, visit www.agcapitalcanada.com.

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