

Fate Therapeutics Announces Issuance of U.S. Patent Protecting Enhanced Hematopoietic Stem Cell Compositions

Protects Cellular Composition of Lead Immunotherapy Product Candidate ProTmune™

Covers Compositions Generated Using Ex Vivo Modulation to Enhance Stem Cell Properties

SAN DIEGO, Oct. 05, 2016 (GLOBE NEWSWIRE) -- Fate Therapeutics, Inc. (NASDAQ:FATE), a biopharmaceutical company dedicated to the development of programmed cellular immunotherapies for cancer and immune disorders, announced today that the U.S. Patent and Trademark Office issued U.S. Patent No. 9,452,186 covering enhanced hematopoietic stem cell compositions. This newly-issued patent expands the Company's significant intellectual property position covering *ex vivo* small molecule modulation of hematopoietic stem cells, which includes compositions and methods for enhanced lentiviral transduction and engraftment in the field of hematopoietic cell transplantation. The Company also has filed corresponding patent applications to seek similar patent protection for its hematopoietic stem cell compositions in key markets throughout the world, including Europe and Japan.

"Fate Therapeutics has pioneered the *ex vivo* use of small molecules, including prostaglandin pathway agonists, to modulate the safety and efficacy of hematopoietic cells prior to patient administration," said Scott Wolchko, President and Chief Executive Officer of Fate Therapeutics. "The issuance of this composition of matter patent, which covers the cellular composition of our lead product candidate ProTmune, validates that our *ex vivo* modulation approach can generate proprietary cellular immunotherapies. We believe this approach, which is backed by our extensive intellectual property, is broadly applicable to the development of hematopoietic cell therapies with novel biological properties and enhanced therapeutic functionality."

This most recent patent, which expires in 2032, specifically covers compositions of hematopoietic stem and progenitor cells with increased CXCR4 gene expression and methods of increasing engraftment and reconstitution in patients by administering CXCR4-enhanced hematopoietic stem cells. CXCR4 signaling has been proven to play a pivotal role in the homing of hematopoietic stem and progenitor cells to the bone marrow *in vivo* and is critical to realizing the curative potential of hematopoietic cell transplantation. Importantly, these newly patented compositions and methods are independent of the specific modulators used to enhance the cells' biological properties and therapeutic function.

About ProTmune™

ProTmune™ is an investigational programmed cellular immunotherapy undergoing clinical development for the prevention of acute graft-versus-host disease and cytomegalovirus infection in patients undergoing allogeneic hematopoietic cell transplantation. ProTmune is manufactured by modulating a donor-sourced, mobilized peripheral blood graft *ex vivo* with two small molecules (FT1050 and FT4145) to enhance the biological properties and therapeutic function of the graft's immune cells. The programmed mobilized peripheral blood graft is administered to a patient as a one-time intravenous infusion. ProTmune has been granted Orphan Drug and Fast Track Designations by the U.S. Food and Drug Administration.

About Fate Therapeutics, Inc.

Fate Therapeutics is a biopharmaceutical company dedicated to the development of programmed cellular immunotherapies for cancer and immune disorders. The Company's hematopoietic cell therapy pipeline is comprised of NK- and T-cell immuno-oncology programs, including off-the-shelf product candidates derived from engineered induced pluripotent cells, and immuno-regulatory programs, including product candidates to prevent life-threatening complications in patients undergoing hematopoietic cell transplantation and to promote immune tolerance in patients with autoimmune disease. Its adoptive cell therapy programs are based on the Company's novel *ex vivo* cell programming approach, which it applies to modulate the therapeutic function and direct the fate of immune cells. Fate Therapeutics is headquartered in San Diego, CA. For more information, please visit www.fatetherapeutics.com.

Forward-Looking Statements

This release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the scope and strength of the Company's intellectual property portfolio and the therapeutic potential of programmed immunotherapies. These and any other forward-looking statements in this release are based on management's current expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially and adversely from those set forth in or implied by such forward-looking

statements. These risks and uncertainties include, but are not limited to, the risk that any of the Company's patents may be challenged and that such a challenge may be successful, resulting in loss of any such patent or loss or reduction in the scope of one or more of the claims of a challenged patent, the risk that results observed in prior studies, including preclinical studies of its product candidates, will not be observed in ongoing or future studies involving these product candidates, the risk that the Company may cease or delay preclinical or clinical development activities for any of its existing or future product candidates for a variety of reasons, and the risk that product candidates developed by the Company may not provide the anticipated therapeutic benefits. For a discussion of other risks and uncertainties, and other important factors, any of which could cause our actual results to differ from those contained in the forward-looking statements, see the risks and uncertainties detailed in the Company's periodic filings with the Securities and Exchange Commission, including but not limited to the Company's most recently filed periodic report, and from time to time the Company's other investor communications. Fate Therapeutics is providing the information in this release as of this date and does not undertake any obligation to update any forward-looking statements contained in this release as a result of new information, future events or otherwise.

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