



## **Onyx Pharmaceuticals to Acquire Proteolix, Inc.**

*Acquisition Provides Next-Generation Product Candidate for Multiple Myeloma with Potential Accelerated Approval Pathway*

Emeryville, CA. — Oct. 12, 2009 Onyx Pharmaceuticals, Inc. (NASDAQ: ONXX) today announced that it has signed a definitive agreement to acquire Proteolix, Inc., a privately held biopharmaceutical company focused on discovering and developing novel therapies that target the proteasome for the treatment of hematological malignancies and solid tumors. Proteolix's lead compound, carfilzomib, is a proteasome inhibitor currently in multiple clinical trials, including an advanced Phase 2b clinical trial for patients with relapsed and refractory multiple myeloma.

"Carfilzomib is a next generation product candidate with a proven and well-validated mechanism of action, strong efficacy signals, demonstrated tolerability and a potential accelerated approval pathway," said N. Anthony Coles, M.D., president and chief executive officer of Onyx. "This acquisition leverages Onyx's proven expertise in developing and commercializing Nexavar® and provides strategic expansion into the \$16 billion hematological malignancies market. The transaction structure reflects our approach to growing our business in a disciplined fashion, including earnout payments contingent on specific approval-based events. In addition, our development plan is designed to maintain our ability to continue to grow operating cash flow in 2010 and beyond."

Under the terms of the transaction, Onyx will make a \$276 million cash payment upon closing of the transaction. Additional payments include \$40 million payable in 2010 based on the achievement of a development milestone and up to \$535 million contingent upon the achievement of certain regulatory approvals for carfilzomib in the U.S. and Europe. Of the potential \$535 million, a payment of \$170 million is based upon the achievement of accelerated U.S. Food and Drug Administration approval. The transaction is expected to close in the fourth quarter of 2009, subject to the receipt of clearance under the Hart-Scott-Rodino Act and customary closing conditions.

"There is a tremendous need for new agents in multiple myeloma that can extend and improve the lives of patients and be used in combination with existing therapies. Current therapies are limited by serious side effects, particularly neurotoxicity, as well as limited duration of response and resistance," said Todd Yancey, vice president clinical development at Onyx. "We look forward to the presentation of important new data on carfilzomib at the American Society of Hematology meeting in December and the release of topline data from the Phase 2b trial in the second half of 2010."

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Proteolix is developing several therapeutics that inhibit the cellular proteasome, a validated and well-characterized approach to treating certain hematological malignancies. Carfilzomib is a next generation proteasome inhibitor, selectively targeting the threonine protease with prolonged target suppression and improved anti-tumor activity in proof of concept trials. To date, carfilzomib has demonstrated strong response rates in multiple studies with an encouraging safety profile, including low rates of observed neurotoxicity, a known side effect of currently approved proteasome inhibitors. An ongoing 250-patient Phase 2b trial in patients with relapsed and refractory multiple myeloma is expected to complete enrollment in 2009 with data anticipated in the second half of 2010 to support a potential new drug application (NDA) filing by year-end 2010. A Phase 3 trial evaluating the combination of carfilzomib in combination with Revlimid and dexamethasone as a potential treatment option for patients with relapsed and refractory multiple myeloma is expected to begin in 2010. In addition, carfilzomib is being evaluated in a Phase 2 trial in relapsed patients with multiple myeloma. Carfilzomib is also being evaluated in a Phase 1b/2 study for solid tumor cancers. Proteolix is developing two molecules in addition to carfilzomib: an oral proteasome inhibitor and a selective inhibitor of the immunoproteasome.

### **About Multiple Myeloma**

Multiple myeloma (MM) is the second most common hematologic cancer and results from an abnormality of plasma cells, usually in the bone marrow. In the United States, more than 50,000 people are living with MM and approximately 20,000 new cases are diagnosed annually<sup>i</sup>. Worldwide, more than 180,000 people are living with MM and approximately 86,000 new cases are diagnosed annually<sup>ii</sup>.

### **About Onyx Pharmaceuticals, Inc.**

Onyx Pharmaceuticals, Inc. is a biopharmaceutical company committed to improving the lives of people with cancer. The company, in collaboration with Bayer HealthCare Pharmaceuticals, Inc., is developing and marketing Nexavar<sup>®</sup>, a small molecule drug. Nexavar is currently approved for the treatment of liver cancer and advanced kidney cancer. Additionally, Nexavar is being investigated in several ongoing trials in a variety of tumor types. For more information about Onyx, visit the company's website at [www.onyx-pharm.com](http://www.onyx-pharm.com).

Nexavar<sup>®</sup> (sorafenib) tablets is a registered trademark of Bayer HealthCare Pharmaceuticals.

### **About Proteolix**

Founded in December 2003, Proteolix, Inc. is a privately-held biopharmaceutical company, headquartered in South San Francisco, dedicated to discovering, developing and commercializing novel therapeutics that target protein degradation pathways for cancer and autoimmune diseases. Proteolix's lead product, carfilzomib, is the first in a new class of highly specific proteasome inhibitors, and is currently in multiple Phase 2 clinical studies to evaluate its safety and efficacy in multiple myeloma and other malignancies. Proteolix is also developing a pipeline of novel proteasome inhibitors, including an oral proteasome inhibitor and a selective immunoproteasome inhibitor.