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AGTC and Bionic Sight Announce Strategic Collaboration to Develop an Optogenetic Therapy and Device for Visual Deficits and Blindness

Innovative approach will combine AGTC's gene therapy expertise with Bionic Sight's neuro-prosthetic device to potentially restore retinal function

NEW YORK, GAINESVILLE, Fla., and CAMBRIDGE, Mass., Jan. 24, 2017 (GLOBE NEWSWIRE) -- Applied Genetic Technologies Corporation (Nasdaq:AGTC), a biotechnology company conducting human clinical trials of adeno-associated virus (AAV)-based gene therapies for the treatment of rare diseases, today announced that it has entered into a strategic research and development collaboration with Bionic Sight, an innovator in the emerging field of optogenetics and retinal coding.

Through the AGTC-Bionic Sight collaboration, the companies seek to develop a new optogenetic therapy that leverages AGTC's deep experience in gene therapy and ophthalmology and Bionic Sight's innovative neuro-prosthetic device and algorithm for retinal coding.

In patients with normal vision, light enters the retina through the photoreceptor cells. These cells then convert the light into electrical signals and pass them through the retina to the brain. The signals are transmitted in a neural code that the brain uses to create images. In patients without functional photoreceptors, the first step is seriously impaired, causing blindness.

Using optogenetics to stimulate the remaining healthy cells in the retina and Bionic Sight's neuroprosthetic device to stimulate those cells with the retina's neural code, AGTC and Bionic Sight will seek to restore normal neural signaling in patients with visual deficits or blindness due to retinal disease.

"AGTC is excited to combine our expertise in gene therapy and ophthalmology with Bionic Sight's transformative device that incorporates the retina's neural code to improve the lives of patients with retinal disorders," said Sue Washer, President and CEO of AGTC. "Bionic Sight has demonstrated an ability to mimic normal image formation in preclinical studies and we believe there is a potential to achieve an outcome for patients that greatly exceeds what is currently possible with prosthetic or gene therapy approaches in late stage degenerative retinal diseases."

The Bionic Sight device combines a camera with proprietary software to convert incoming images into a "retinal code" that is capable of activating the optogenetic protein delivered by AAV gene therapy. Activation of this protein causes the targeted cells to fire in specific patterns recreating images the brain can detect.

"We're very enthusiastic about this opportunity to collaborate with AGTC, and recognize the potential of their proprietary gene delivery technology to support our clinical development program," said Sheila Nirenberg, Ph.D., Professor in the Department of Physiology and Biophysics at Weill Medical College of Cornell University and the founder of Bionic Sight. "AGTC's AAV-based delivery platform has been validated in multiple pre-clinical and clinical studies, and we believe our combined technologies and capabilities have the potential to contribute significantly to patients affected by severe vision impairment."

About AGTC

AGTC is a clinical-stage biotechnology company that uses its proprietary gene therapy platform to develop products designed to transform the lives of patients with severe diseases, with an initial focus in ophthalmology. AGTC's lead product candidates are designed to treat inherited orphan diseases of the eye, caused by mutations in single genes that significantly affect visual function and currently lack effective medical treatments.

AGTC's product pipeline includes six named ophthalmology development programs across five targets (X-linked retinoschisis (XLR5), X-linked retinitis pigmentosa (XLRP), achromatopsia, wet age-related macular degeneration and blue cone monochromacy), two non-ophthalmology programs (alpha-1 antitrypsin deficiency and adrenoleukodystrophy) and AGTC is continuing to develop early research studies in additional indications. The company is also exploring genetic defects in cells in the inner ear that lead to deafness and expects to advance several product candidates into development within the next few years. AGTC employs a highly targeted approach to selecting and designing its product candidates,

choosing to develop therapies for indications having high unmet medical need, clinical feasibility and commercial potential. AGTC has a significant intellectual property portfolio and extensive expertise in the design of gene therapy products including capsids, promoters and expression cassettes, as well as, expertise in the formulation, manufacture and physical delivery of gene therapy products.

About Bionic Sight

Bionic Sight LLC is an early stage medical device company focused on the development and commercialization of prosthetic treatments for blindness due to retinal degenerative disease. A key differentiating feature of the Bionic Sight device is the use of the retinal code deciphered by its scientific founder, Dr. Sheila Nirenberg, a MacArthur Genius Award recipient and professor of computational neuroscience at the Weil Cornell Medical College. Dr. Nirenberg's advancements in retinal coding can convert visual images into similar patterns of action potential that the retina normally produces and can do so across a broad range of stimuli including faces, landscapes and movement, essentially replicating patterns in a code the brain is expecting and can recognize. As such, Dr. Nirenberg's approach has the potential to increase prosthetic performance well beyond what can be achieved just by increasing resolution with the goal of bringing prosthetic capabilities up to the level of near normal image representation.

Forward Looking Statements

This release contains forward-looking statements that reflect AGTC's plans, estimates, assumptions and beliefs. Forward-looking statements include information concerning possible or assumed future results of operations, business strategies and operations, preclinical and clinical product development and regulatory progress, potential growth opportunities, potential market opportunities and the effects of competition. Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "seeks," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would" or similar expressions and the negatives of those terms. Actual results could differ materially from those discussed in the forward-looking statements, due to a number of important factors. Risks and uncertainties that may cause actual results to differ materially include, among others: no gene therapy products have been approved in the United States and only two such products have been approved in Europe; AGTC cannot predict when or if it will obtain regulatory approval to commercialize a product candidate; uncertainty inherent in the regulatory review process; risks and uncertainties associated with drug development and commercialization, reliance on third parties over which AGTC may not always have full control; factors that could cause actual results to differ materially from those described in the forward-looking statements are set forth under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2016, as amended and filed with the SEC. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, forward-looking statements represent management's plans, estimates, assumptions and beliefs only as of the date of this release. Except as required by law, we assume no obligation to update these forward-looking statements publicly or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

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