



FOR IMMEDIATE RELEASE

**PARETO BIOTECHNOLOGIES RECEIVES FUNDING FROM THE THIEL
FOUNDATION'S BREAKOUT LABS**

San Francisco, CA (November 14, 2013) - Pareto Biotechnologies and Breakout Labs jointly announced today that Pareto has been selected to receive funding from Breakout Labs, a philanthropic revolving fund financed by investor Peter Thiel to promote novel scientific ideas with promising commercial applications.

Pareto Biotechnologies is a San Francisco-based startup that utilizes polyketide pathways in its game-changing synthetic biology platform to develop "designer molecules." Pareto's dominant IP position in polyketides – previously dismissed as the "poor man's pathway" – was a primary factor in Breakout Labs' decision to fund the company, and will be fully leveraged to optimize Pareto's platform. In the near term, Pareto's focus is on creating new molecules for cosmetics, flavorings and fragrances; compounds that are deemed "natural", cost less, and are more environmentally friendly than those currently available to these industries. In the long term, Pareto will create molecules with commercial applicability in nutraceuticals, pharmaceuticals, and industrial commodities, such as plastics, resins, and adhesives.

Pareto was co-founded by successful biotech entrepreneurs Mike Mendez of San Diego and Dr. Jamie Bacher of San Francisco, along with leading polyketide experts Dr. Joe Noel of the Salk Institute for Biological Studies and Dr. Mike Burkart of University of California, San Diego. Mendez is a renowned platform developer, co-founder of four successful startups including renewable fuels giant Sapphire Energy, creator of the viral vectors for the cancer vaccine technology GVAX, and inventor of the Xenomouse. Dr. Bacher, who serves as Pareto's CEO, is a synthetic biologist and veteran of numerous biotech companies, including Rincon Pharmaceuticals, Sapphire Energy, and Total New Energies in its \$100 million renewable fuels partnership with Amyris. Dr. Noel is a Professor and Director, Jack H. Skirball Center for Chemical Biology and Proteomics at the Salk Institute; Howard Hughes Medical Institute Investigator; Arthur and Julie Woodrow Chair; and, co-founder of the renewable chemicals company Allylix. Dr. Burkart is a professor of chemistry and biochemistry at UCSD.

"Synthetic Biology is an area of substantial technological interest to us," said Hemai Parthasarathy, Breakout Labs' Scientific Director. "There is obviously breakthrough potential for companies, like Pareto Biotechnologies, that have deep intellectual property and the savvy to navigate significant business development hurdles."

"We are thrilled to partner with Breakout Labs, whose support enables us to rapidly develop an expansive portfolio of designer molecules for the fragrances and flavorings industry," said Pareto's CEO, Dr. Bacher. "Our leading IP position in polyketide

pathways, as applied to our cutting edge synthetic biology platform, offers significant competitive advantages, including unhindered scientific progress, unrivaled production of novel molecules, and unlimited partnership potential.”

About Pareto Biotechnologies:

Pareto Biotechnologies is a synthetic biology startup that is poised to lead the movement towards a bio-based economy. Pareto’s platform fully leverages its dominant IP position in polyketide pathways, combining structurally-guided enzyme design and synthetic biology to develop a platform for designer molecules with universal applicability. In the near term, Pareto’s focus is on developing novel molecules for the cosmetics, flavors, and fragrances industries by 2015. Longer term, Pareto will create molecules that can be used in nutraceuticals, pharmaceuticals, and industrial commodities, such as plastics, resins, and adhesives.

About Breakout Labs:

Founded in November 2011, the Thiel Foundation's Breakout Labs provides funding awards of up to \$350,000 to early-stage companies with cutting-edge technologies. Breakout Labs supports these companies in their quest to achieve specific milestones that are necessary to attract further support, thus bridging a critical funding gap on their path to commercialization. [More About Breakout Labs](#)

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