

MERGENT INDUSTRIAL

NEW LISTING

November 17, 2011



This Supplemental News Reports is published as required, is part of the annual MERGENT INDUSTRIAL, OTC AND OTCUNLISTED Manuals and will be included in the bound 2011 November Monthly News Reports and is published on our Website.

CORONADO BIOSCIENCES INC

Company Website: www.coronadobiosciences.com

History: Incorporated in Delaware on June 28, 2006. On Jan. 7, 2011, Co. entered into an asset purchase agreement (the "Asphelia Asset Purchase" or the "Asphelia Agreement") with Asphelia Pharmaceuticals, Inc. ("Asphelia"). Pursuant to the terms of the Asphelia Agreement, Co. paid \$20.7 million, including assumption of certain Asphelia liabilities, for the purchase of Asphelia's assets relating to the CND0-201 compound, an earlystage developmental compound.

In exchange, Co. issued 2,525,677 shares of its Series B Convertible Preferred Stock ("Series B Shares") at a fair value of \$6.38 per share, assumed the Paramount Credit Partners, LLC Note in the principal amount of \$750,000 and paid cash of approximately \$3.8 million, including a \$3.4 million payment to OvaMed GmbH ("OvaMed"), and \$0.4 million for repayment of Asphelia's debt, \$61,000 of which was paid to a related party. The total consideration paid in connection with the Asphelia Asset Purchase is \$20,706.

Business Summary: Coronado Biosciences is a biopharmaceutical company focused on the development of novel immunotherapy biologic agents for the treatment of inflammatory diseases and cancer. Co.'s two principal pharmaceutical product candidates in clinical development are: CND0-201, a biologic comprising *Trichuris suis ova* ("TSO"), the microscopic eggs of the pig whipworm, for the treatment of autoimmune diseases, such as Crohn's disease ("Crohn's"), ulcerative colitis ("UC") and multiple sclerosis ("MS"); and CND0-109, a compound that activates natural killer ("NK") cells of the immune system to seek and destroy cancer cells, for the treatment of acute myeloid leukemia.

Property: Co. maintains its principal executive offices in Burlington, MA in approximately 600 square feet of leased office space.

Subsidiary

Inmune Ltd.

Officers

Glenn L. Cooper, M.D., Executive Chairman; Chief Executive Officer
Eric K. Rowinsky, M.D., Vice-Chairman
Bobby W. Sandage, Jr., Ph., President; Chief Executive Officer
Noah D. Beerman, Executive Vice President; Chief Operating Officer
Dale Ritter, Senior Vice President - Finance; Chief Accounting Officer; Acting Chief Financial Officer

Directors

Glenn L. Cooper, M.D., Executive Chairman
Eric K. Rowinsky, M.D., Vice-Chairman
Bobby W. Sandage, Jr., Ph. Dale Ritter
Noah D. Beerman David Jonathan Barrett
Jimmie Harvey, Jr., M.D J. Jay Lobell
Michael W. Rogers Lindsay A. Rosenwald, M.D.

Auditors: PricewaterhouseCoopers LLP

Counsel: Loeb & Loeb LLP

Shareholder Relations: Noah D. Beerman, Executive Vice President **Tel.:** 781-238-6627

No. of Stockholders: Nov. 13, 2011, 550

No. of Employees: Nov. 13, 2011, 11

Address: 15 New England Executive Park, Burlington, MA 01803 **Tel.:** 781 238-6623 **Fax:** 781 459-7788

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www.coronadobiosciences.com

Web:

Consolidated Income Account, years ended Dec. 31 (\$000):

	2010	2009	2008
Research & devel	8,341	2,270	2,895
Gen & admin exps	900	343	348
Income (loss) fr opers	(9,241)	(2,613)	(3,243)
Int inc	61		18
Int expense, net	1,535	1,053	573
Other inc	733		
Net income (loss)	(9,982)	(3,666)	(3,798)
Common shares (000):			
Weigh avg shares outstg-basic	4,454	3,613	2,731
Weigh avg shares outstg-diluted	4,454	3,613	2,731
Yr end shares outstg	4,791	4,767	
Net earnings (loss) per sh-basic	\$(2.24)	\$(1.01)	\$(1.39)
Net earnings (loss) per sh-diluted	\$(2.24)	\$(1.01)	\$(1.39)
Tot no of employees	11		
No of com stkhldrs	550		

As of November 13, 2011. As is.

Consolidated Balance Sheet, as of Dec. 31 (\$000):

	2010	2009
Assets:		
Cash & cash equivs	14,862	1,510
Ppd & other curr assets	55	5
Tot curr assets	14,917	1,515
Computer equipment, gross	41	28
Less: Accum deprec computer equip	19	13
Computer equipment, net	22	15
Defer financing costs		157
Tot assets	14,939	1,687
Liabilities:		
Accts pay	476	628
Accts pay - rel party	46	
Accrued salaries, bonuses & related benefits	553	289
Accrued professional fees	309	130
Accrued research & devel exps	143	95
Other accrued exps	32	11
Accrued exps	1,037	525
Sr conv notes		7,570
Int pay - sr conv notes		795
Notes pay - rel parties		1,319
Int pay - rel parties		252
PCP int pay - related party		38

Borrow under line of credit		80
Tot curr liabil	1,559	11,207
PCP notes pay - related party		570
Tot liabil	1,559	11,777
Conv pfd stk ser A	29,277	
Com stk	5	5
Addit paid-in cap	4,312	137
Retain earnings (def accumulated) during devel stage	(20,214)	(10,232)
Tot stkhldrs' equity (deficit)	(15,897)	(10,090)

Subsequent Financing: Subject to Dec. 31, 2010 and through May 31, 2011, Co. issued 775,000 stock options at an exercise price ranging from \$1.37-\$1.93 per share.

On May 15, 2011, Co. entered into a definitive agreement with respect to the private placement of 4,612,624 shares of unregistered Series C Convertible Preferred Stock at \$5.59 per share to accredited investors. Co. completed the private placement in June 2011 resulting in approximately \$22.8 million in net proceeds to Co. As compensation for services, Co. paid the placement agent of these securities 10% of the gross proceeds and issued to the placement agent warrants to purchase Series C Preferred Stock at \$5.59 per share equal to 10% of the aggregate number of shares sold in the offering.

Capital Stock: 1. Coronado Biosciences Inc convertible preferred series A; par \$ 0.001.

AUTHORIZED — 10,000,000 shs.
OUTSTANDING — Dec. 31, 2010, 4,357,885 shs; par \$ 0.001.

VOTING RIGHTS — Holder of Series A Convertible Preferred Stock vote together with the Common Stock on all matters, on an as-converted to Common Stock basis.

LIQUIDATION RIGHTS — In the case of a liquidation event, including a sale, merger or winding up of Co., the holders of Series A Convertible Preferred Stock shall be entitled to receive \$12.59 per share (representing 150% of the original issuance price), out of the proceeds of such liquidation, in preference to the holders of Common Stock.

CONVERTIBLE — Each share of Series A Convertible Preferred Stock will be voluntarily convertible into one share of Common Stock at the election of the holder. Additionally, each share of Series A Convertible Preferred Stock will automatically convert into one share of Common Stock upon the earlier of the following: (1) Apr. 26, 2012 or (2) Co.'s capital stock becomes publicly traded, then the date upon which such capital stock has a publicly traded value of \$12.59 or more per share, as adjusted for any stock splits, stock exchanges, recapitalizations, dividends and the like (such date, the "Valuation Milestone Date"). The Valuation Milestone Date shall be deemed to have occurred: (i) on the date which Co.'s capital stock first becomes publicly traded, if such capital stock has an initial quoted value greater than or equal to \$12.59 per share, or (ii) the date that is the twentieth (20th) consecutive or non-consecutive trading day where the volume-weighted average price for Co.'s capital stock as reported by Bloomberg Financial L.P. is greater than or equal to \$12.59 per share, in each case as adjusted for any stock splits, stock exchanges, recapitali-

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zations and dividends as determined by Co.'s board of directors in its reasonable discretion.

2. Coronado Biosciences Inc common; par \$ 0.001.
AUTHORIZED — 50,000,000 shs.
OUTSTANDING — Dec. 31, 2010, 4,791,102 shs; par \$ 0.001.
WARRANTS — 375,819 shs.
VOTING RIGHTS — Entitled to one vote for each share of common stock held.

OPTIONS — Dec. 31, 2010, outstanding, 790,235.

LIQUIDATION RIGHTS — In the event of Co.'s liquidation, dissolution or winding up, holders of Common Stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of Co.'s debts and other liabilities, subject to the satisfaction of any liquidation preference granted

to the holders of any outstanding shares of Preferred Stock.

TRANSFER AGENT — VStock Transfer LLC, Cedarhurst, NY

CAPITAL HISTORY — During 2010, Co. increased its authorized common share capital from 30,000,000 common shares to 50,000,000 common shares.