Dicerna Pharmaceuticals Announces Settlement of All Litigation with Alnylam

April 20, 2018

Company's Resources Focused on Advancement of All Key Pipeline Programs

CAMBRIDGE, Mass.--(BUSINESS WIRE)--Apr. 20, 2018-- Dicerna Pharmaceuticals, Inc. (Nasdaq:DRNA), a leading developer of investigational ribonucleic acid interference (RNAi) therapeutics, today announced that the company has resolved all litigation with Alnylam Pharmaceuticals, Inc. The settlement allows Dicerna to advance all of its key and planned pipeline programs while maintaining a strong balance sheet.

"With today's announcement of a settlement with Alnylam, we are now able to focus the entirety of our resources on the advancement of our key clinical and discovery programs," said Douglas M. Fambrough, Ph.D., president and chief executive officer of Dicerna.

Under terms of the agreement, Alnylam will dismiss all claims of trade secret misappropriation and other related claims brought in the Massachusetts State Court against Dicerna. In return, Dicerna will dismiss all counterclaims associated with Alnylam's trade secret misappropriation litigation, as well as all claims of anti-competitive practices brought by Dicerna against Alnylam in Massachusetts Federal Court. Dicerna will pay to Alnylam an upfront fee of $2.0 million, plus 983,208 shares of Dicerna common stock. Dicerna will also pay to Alnylam an additional $13.0 million over the next four years, the timing of which is dependent on revenue Dicerna receives pursuant to future GalXC™ technology-based partnerships. This settlement excludes any amounts received by Dicerna from its existing collaboration with Boehringer-Ingelheim.

Neither company admits wrongdoing.

With the strength of its intellectual property affirmed, Dicerna remains focused on its core research and development activities, including its ongoing Phase 1 trial of DCR-PHXC, its lead compound for the treatment of all forms of primary hyperoxaluria, as well as the expected advancement of multiple other GalXC-based programs, including DCR-HBVS for hepatitis B, into clinical development on schedule. The company continues to anticipate having a total of three GalXC product candidates in the clinic by early next year.

Dicerna continues to actively progress development activities for its three priority GalXC programs:

- DCR-PHXC, an investigational treatment for all forms of primary hyperoxaluria, is currently in Phase 1 clinical trials with proof-of-concept data expected in the second half of 2018.
- DCR-HBVS, an investigational treatment for chronic hepatitis B virus, is in pre-clinical development and the Company anticipates filing an investigational new drug (IND) application or clinical trial application (CTA) during the fourth quarter of 2018.
- An undisclosed rare disease program, which the Company intends to advance into clinical trials in conjunction with a partner, with an anticipated IND or CTA filing in the second half of 2018.

About Dicerna Pharmaceuticals, Inc.

Dicerna Pharmaceuticals, Inc., is a biopharmaceutical company focused on the discovery and development of innovative, subcutaneously delivered RNAi-based therapeutics for diseases involving the liver, including rare diseases, chronic liver diseases, cardiovascular diseases, and viral infectious diseases. Dicerna is leveraging its proprietary GalXC™ RNAi technology platform to build a broad pipeline in these core therapeutic areas, focusing on target genes where connections between target gene and diseases are well understood and documented. Dicerna intends to discover, develop and commercialize novel therapeutics either on its own or in collaboration with pharmaceutical partners. For more information, please visit www.dicerna.com.

Cautionary Note on Forward-Looking Statements

This press release includes forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statements. Examples of forward-looking statements include, among others, statements we make regarding: (i) the therapeutic and commercial potential of GalXC™; (ii) research and development plans related to GalXC; (iii) the potential of our technology and drug candidates in our research and development pipeline; and (iv) the timing of the $13 million payment to Alnylam. The process by which an early stage platform such as GalXC could potentially lead to an approved product is long and subject to highly significant risks, particularly with respect to a pre-clinical research collaboration. Applicable risks and uncertainties include those relating to our preclinical research and other risks identified under the heading "Risk Factors" included in our most recent Form 10-Q filing and in other future filings with the SEC. The forward-looking statements contained in this press release reflect Dicerna's current views with respect to future events, and Dicerna does not undertake and specifically disclaims any obligation to update any forward-looking statements.

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