

A2 ACQUISITION CORP.
ANNOUNCES PROPOSED QUALIFYING TRANSACTION WITH MEDICENNA THERAPEUTICS
INC.

NOT FOR DISSEMINATION IN THE U.S. OR THROUGH U.S. NEWSWIRE

Calgary, Alberta, February 6, 2017. A2 Acquisition Corp. (“A2” or the “**Company**”) (TSXV: APD.P), a capital pool company, is pleased to announce that its previously announced letter of intent with Medicenna Therapeutics Inc. (“**Medicenna**”) dated November 7, 2016 (the “**Medicenna LOI**”) has been superseded by a definitive agreement (the “**Definitive Agreement**”) dated February 5, 2017 between A2, 1102209 B.C. Ltd., a wholly-owned subsidiary of A2, and Medicenna. Pursuant to the Definitive Agreement, A2 and Medicenna intend to complete a business combination intended to constitute A2’s Qualifying Transaction, as such term is defined in Policy 2.4 of the Corporate Finance Manual of the TSX Venture Exchange (the “**Proposed Transaction**”). The Proposed Transaction will result in A2 acquiring all of the issued and outstanding equity shares of Medicenna (the “**Medicenna Shares**”) in exchange for common shares of A2 (each, an “**A2 Share**”) on a post consolidation basis.

The Proposed Transaction is subject to, among other things, receipt of the requisite shareholder approval of Medicenna, final approval of the TSX Venture Exchange (the “**Exchange**”) and standard closing conditions, including the conditions described below. Subject to satisfactory completion of due diligence, the parties expect to close the Proposed Transaction on or before February 28, 2017 (or such other date as may be mutually agreed in writing between A2 and Medicenna) (“**Closing**”).

The Proposed Transaction is not a Non Arm’s Length Qualifying Transaction pursuant to Section 2.1 of the Policy and, as such, the Company is not required to obtain shareholder approval for the Proposed Transaction. However, the Company held a meeting of shareholders on January 27, 2017 to approve certain matters ancillary to the Proposed Transaction, including a consolidation and name change, effective upon Closing. At the Company meeting, a 14:1 consolidation was approved and Trevor Wong-Chor was appointed as an additional director of the Company in order for an orderly transition of directors in connection with the Proposed Transaction.

Upon completion of the Proposed Transaction, A2 will continue on with the business of Medicenna (the Company after completion of the Proposed Transaction is referred to herein as the “**Resulting Issuer**”).

The Proposed Transaction

Pursuant to the Proposed Transaction, the Resulting Issuer will acquire all of the issued and outstanding Medicenna Shares such that each shareholder and warrant holder and option holder of Medicenna (including those becoming shareholders as a result of the Offering as defined below) (each, a “**Medicenna Shareholder**”, “**Medicenna Warrant holder**” and “**Medicenna Option holder**”, as applicable) will receive one common share of the Resulting Issuer, a warrant of the Resulting Issuer or a stock option of the Resulting Issuer, as applicable (each, respectively, a “**Resulting Issuer Share**”, “**Resulting Issuer Warrant**” or “**Resulting Issuer Option**”).

As a condition of closing the Proposed Transaction, concurrently with, or immediately prior to the closing of the Proposed Transaction, and subject to A2 shareholder approval, the Resulting Issuer will undertake a share consolidation of A2 Shares (the “**A2 Consolidation**”). The consolidation will occur on the basis of one consolidated share of A2 (an “**A2 Consolidated Share**”) for every 14 A2 Shares outstanding.

It is anticipated that a total of 21,221,415 A2 Consolidated Shares will be issued in exchange for all the Medicenna Shares (with a deemed price of \$2.00 per A2 Consolidated Share). Upon completion of the Proposed Transaction, the former Medicenna Shareholders will hold approximately 95.13% of the Resulting Issuer Shares basis (without giving effect to the Offering (as defined herein)) and the A2 Shareholders will hold approximately 4.87% of the Resulting Issuer Shares basis (without giving effect to the Offering). Upon Closing, the name of the

Resulting Issuer will be changed to “Medicenna Therapeutics Corp.” or such other name as may be acceptable to A2, Medicenna and the Exchange.

All A2 Shares issued pursuant to the Proposed Transaction will be freely tradable under applicable Canadian securities legislation but may be subject to an Exchange imposed restriction on resale. In addition, certain A2 Shares issued in the United States or to or for the benefit of U.S. Persons (as such term is defined under Regulation S of the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) will be “restricted securities” within the meaning of Rule 144(a)(3) of the U.S. Securities Act.

Certain of the A2 Shares to be issued to the Medicenna Shareholders pursuant to the Proposed Transaction, including up to 100% of the securities to be issued to “Principals” (as defined under applicable laws), may also be subject to escrow provisions imposed pursuant to the policies of the Exchange.

None of the securities to be issued pursuant to the Proposed Transaction have been or will be registered under the U.S. Securities Act, or any state securities laws, and any securities issued pursuant to the Proposed Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to Section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Brokered Equity Financing

Medicenna has entered into an engagement letter (the “**Engagement Letter**”) with Richardson GMP (the “**Agent**”) pursuant to which the Agent will act as agent on a “commercially reasonable efforts” private placement of subscription receipts of Medicenna (the “**Subscription Receipts**”) for gross proceeds of up to \$3.6 million (the “**Offering**”). The Subscription Receipts will be offered at an issuance price of \$2.00 per Subscription Receipt, and each Subscription Receipt shall automatically entitle the holder thereof, without payment of any additional consideration and without further action on the part of the holder, to acquire one Medicenna Share upon the satisfaction of certain escrow release conditions, all in accordance with terms and conditions of a subscription receipt indenture to be entered into by Medicenna, the Agent and the subscription receipt agent, and until such time, no Subscription Receipts may be exercised by the holders thereof. Completion of the Offering is not a condition precedent to the completion of the Proposed Transaction.

In connection with the Financing, the Agent will be paid a cash commission of equal to 7.0% of the Subscription Receipts sold (excluding Subscription Receipts sold to certain excluded purchasers in respect of which the Agent will be paid a cash commission of 3.5% (subject to certain exceptions)). In addition, the Agent will also be issued broker warrants (“**Broker Warrants**”) equal to 8.0% of the Subscription Receipts sold (excluding Subscription Receipts sold to certain excluded purchasers in respect of which the Agent will be issued Broker Warrants equal to 3.5% of the Subscription Receipts sold (subject to certain exceptions)). Each Broker Warrant is exercisable for one Medicenna Share at an exercise price of \$2.00 per Medicenna Share for a period of 24 months following the date of issuance of thereof. In addition, the Agent will also be paid a corporate finance fee of \$35,000 (of which \$17,500 was paid on December 30, 2016).

The net proceeds of the Offering are expected to be used to advance Medicenna’s non-clinical and clinical programs and for working capital and general corporate purposes.

Conditions to Proposed Transaction

Prior to completion of the Proposed Transaction (and as conditions of closing), among other things:

- the Resulting Issuer shall meet the initial listing requirements of a Tier 2 Exchange life sciences issuer pursuant to Policy 2.1 of the Exchange;

- the completion of the A2 Consolidation;
- A2 will have taken all necessary steps to have its name changed from “A2 Acquisition Corp” to “Medicenna Therapeutics Corp.” or such other name as the parties may determine and which is acceptable to the Exchange and applicable regulatory authorities;
- All of the current directors and officers of A2 will have resigned and the incoming directors and officers of the Resulting Issuer shall have been appointed;
- receipt of all required consents, waiver and approvals from the Exchange, any securities regulatory authority and any other third party having jurisdiction, including approval from the Exchange for the Proposed Transaction as its Qualifying Transaction and the listing of the Resulting Issuer shares on the Exchange.

Sponsorship of a Qualifying Transaction of a capital pool company is required by the Exchange unless exempt in accordance with Exchange policies. The parties will be seeking an exemption of any requirement for a Sponsor, but in the event an exemption is not available, will seek a sponsorship relationship for this transaction with an Exchange member firm, and will update the markets accordingly.

About Medicenna

Medicenna Therapeutics Inc. was incorporated by articles of incorporation pursuant to the *Business Corporations Act* (British Columbia) (“**BCBCA**”) on October 31, 2011. Medicenna has two wholly-owned subsidiaries: Medicenna Biopharma, Inc. (British Columbia) which was incorporated under the BCBCA on October 5, 2012 and Medicenna Biopharma Inc. (Delaware) which was incorporated in the State of Delaware on July 1, 2014.

Medicenna is a clinical-stage immunotherapy company developing a family of novel, proprietary therapeutic cytokines called Superkines™. Superkines™ are powerful immune-system modulators that have significant therapeutic potential for the treatment of many forms of cancer and selected other diseases. Superkines™ can be fused to tumor cell-killing payloads to form Medicenna’s proprietary Empowered Cytokines™ (“**ECs**”). EC’s are being developed for the targeted treatment of cancer and are potentially vastly superior alternatives to other targeted cancer therapies such as Antibody Drug Conjugates (“**ADCs**”).

MDNA55 is Medicenna’s lead product and is an EC in clinical development for the treatment of cancers of the Central Nervous System. It is a combination of a modified version of the cell signalling protein interleukin 4 (“**IL-4**”) fused to a potent cytotoxic fragment of a bacterial toxin called Pseudomonas exotoxin. To date, MDNA55 has promising clinical data from 72 patients, including 66 adult patients with recurrent glioblastoma (“**rGB**”), the most aggressive and uniformly fatal form of brain cancer.

Medicenna was awarded a product development grant of US\$14.1M from the Cancer Prevention Research Institute of Texas (“**CPRIT**”). Grant funds will support the MDNA55 Phase-2 clinical trial for treatment of rGB and, in collaboration with MD Anderson Cancer Center, the pre-clinical development of next generation IL-4-based ECs for the treatment of other solid tumors. MDNA55 has secured Orphan Drug Status from the United States Food and Drug Administration (“**FDA**”) and the European Medicines Agency, as well as Fast Track Designation from the FDA.

Complimenting Medicenna’s lead clinical asset (MDNA55), Medicenna has built a pipeline of promising pre-clinical candidates. These include a library of Superkines™ such as IL-2 agonists (MDNA109), IL-2 antagonists (MDNA209), dual IL-4/IL-13 antagonists (MDNA413) and the IL-13 agonist (MDNA132).

Since its incorporation, Medicenna has not received regulatory approval for sale of MDNA55 in any market. Accordingly, Medicenna has not generated any revenues from product sales.

Financial Information of Medicenna

The following table summarizes selected unaudited financial information for Medicenna (as at September 30, 2016),

Balance Sheet (C\$)	September 30, 2016
Current Assets	6,705,302
Total Assets	6,803,300
Current Liabilities	740,050
Total Liabilities	740,050
Total Shareholders' Equity	6,063,250

Proposed Management of the Resulting Issuer

Subject to Exchange approval, it is currently anticipated that all of the current officers and all of the current directors of A2 will resign from their respective positions with A2. It is currently anticipated that Insiders (as such term is defined in the policies of the Exchange) of the Resulting Issuer will be as follows:

Dr. Fahar Merchant, Co-Founder, President, CEO, Chairman and Director, 59

Dr. Merchant is a 25-year biotech veteran, a serial entrepreneur and co-founder of Medicenna. Previously he was President and CEO of Protox Therapeutics (TSXV and TSX; now Sophiris Bio, Nasdaq) where he established a late clinical stage urology company. At Protox he raised over \$70M through multiple PIPEs (private investments in public equity), including a \$35M investment by Warburg Pincus. In 1992 he co-founded IntelliGene Expressions, Inc., a biologics contract development and manufacturing organization (“**CDMO**”). In 2000, by strategic in-licensing, he co-founded Avicenna Medica, Inc., a clinical stage oncology company that was sold a year later to KS Biomedix (LSE) for \$90M. Fahar was CTO and Director of KS Biomedix until its acquisition by Xenova (Nasdaq and LSE; now Celtic Pharma). Fahar has closed several transactions valued at over \$300M. He has a PhD in Biochemical Engineering from Western University.

It is anticipated that Dr. Merchant will devote 100% of his time to the business of the Resulting Issuer, or such other time and expertise as may reasonably be required by the Resulting Issuer.

Elizabeth Williams, CFO and Corporate Secretary, 39

Ms. Williams, CPA, CA has more than 12 years of experience in biotech, working with publicly listed entities in both Canada and the United States. Ms. Williams has extensive financing experience playing an integral role in raising more than \$100 million in financing by way of public offerings, private placements, rights offerings, at-the-market facilities, warrant exercises, corporate reorganizations and debt (issuance and redemption). Prior to joining Medicenna, Ms. Williams was the Vice President of Finance and Administration at Aptose Biosciences Inc. (previously Lorus Therapeutics Inc.) a biotechnology company listed on both the Exchange and Nasdaq Capital Markets. While at Aptose, Ms. Williams held several positions including acting as the Chief Financial Officer during a lengthy transition period and was responsible for a broad range of activities including financings, financial reporting and regulatory compliance. Prior to joining Aptose, Ms. Williams was an Audit Manager at Ernst and Young LLP with a focus on publicly listed multinational companies. Ms. Williams is a Chartered Professional Accountant and Chartered Accountant and received a Bachelor of Business Administration from Wilfrid Laurier University.

Rosemina Merchant, Co-Founder, CDO and Director, 60

Ms. Rosemina Merchant has 30 years of experience in the development of biopharmaceuticals. Most recently, Ms. Merchant was Senior VP of Development and Regulatory Affairs at Sophiris Bio (formerly, Protox Therapeutics) and responsible for development of PRX302 for prostate cancer and BPH. She transitioned PRX302, a discovery project to a late stage clinical program in less than 6 years. During that time she executed multiple clinical trials, managed Canadian and US regulatory filings and led all chemistry, manufacture and control (“CMC”) related outsourcing activities in the US and Europe. In 1992, Ms. Merchant co-founded, IntelliGene Expressions, Inc., a biologics CDMO, where she was VP of Manufacturing and Chief Operating Officer. Ms. Merchant also held a variety of senior level positions at KS Biomedix, Bioniche, GE LifeSciences, Sanofi Pasteur and Alberta Innovates. Her education includes a MEdSc. in Biochemical Engineering from Western University.

Patrick Ward, COO, 57

Mr. Ward, R.Ph., MBA has over 20 years of operational experience in the pharmaceutical industry, most recently as the COO and co-Founder of Aviara Pharmaceuticals, a clinical stage pharmaceutical company developing a portfolio of small molecule assets acquired from Pfizer. Prior to Aviara, he was President and COO of Ocusoft, Inc., a specialty ophthalmic pharmaceutical company of over 120 employees, where he was also responsible for product development, manufacturing and regulatory affairs for a variety of pharmaceutical products.

Prior to joining Ocusoft, Mr. Ward was Executive Director of Business development at Encysive Pharmaceuticals (acquired by Pfizer) where he spent 13 years in business development, finance and marketing, with responsibility for strategic financial planning, new business deal activities, licensing transactions and alliance management. At Encysive, he was also involved in the partnering and commercialization of Argatroban™ in the U.S. and Canada with GSK and in Europe with Mitsubishi Pharmaceuticals, as well as the partnering and commercialization of Thelin™ in Europe. Prior to joining Encysive, Mr. Ward was with Owen Healthcare (now Cardinal Health) where he served in multiple roles in hospital pharmacy management. He received a B.S. in Pharmacy from The University of Houston and an M.B.A. in Finance from the University of St. Thomas.

Albert G. Beraldo, Director, 63

Mr. Albert G. Beraldo, CPA, CA, has over 30 years’ experience in varying roles within the pharmaceutical/biotechnology industry. He was the founder and President and Chief Executive Officer of Alveda Pharmaceuticals Inc., a leading supplier of pharmaceuticals to the Canadian health care market, from 2006 until November 2015. Alveda was acquired by Teligent, Inc. (formerly IGI Laboratories, Inc.) (NASDAQ: TLGT), a New Jersey-based specialty generic pharmaceutical company. Mr. Beraldo formerly served as President and CEO of Bioniche Pharma Group Limited until 2006. Mr. Beraldo has served as an Independent Director of Helix Biopharma Corp. since January 28, 2016 and was an Independent Director of Telesta Therapeutics Inc. from November 2008 to November 2013. Mr. Beraldo worked in public accounting with Ernst and Whinney until he joined Vetrep Pharm Canada Inc. as Financial Controller in 1983. Mr. Beraldo obtained a Bachelor of Commerce degree from the University of Windsor and a Chartered Accountant designation from the Canadian Institute of Chartered Accountants.

Dr. Chandrakant Panchal, Director, 67

Dr. Chandra Panchal is the Founder of Axcelon Biopolymers Corp., a biotechnology company where he is Chairman, CEO and CSO. From 1989 to 1999 he was Co-Founder, President, and CEO of Procyon Biopharma Inc., which he took public on the TSXV in 1998 and later on TSX in 2000. Thereafter, Dr. Panchal was CSO at Procyon until its merger with Cellpep, Inc (2006). He was then Senior Executive VP of Business Development at the merged entity, Ambrilia Biopharma Inc. During his term at Procyon and Ambrilia, he led several licensing and M&A transactions with pharmaceutical and biotechnology companies relating to cancer and HIV drugs developed by the company. Dr. Panchal sits on multiple public company boards and was until recently, a board member of

MaRS Innovation and Avivagen (TSXV:VIV). Dr. Panchal obtained a PhD in biochemical engineering from Western University.

Andrew Strong, Director, 50

Mr. Andrew Strong has been a partner at Pillsbury Winthrop Shaw Pittman since 2015 and leads the Life Sciences Team (Houston, TX). Mr. Strong has represented numerous Fortune 500 clients as well as public universities, and state and local government entities in federal and state court litigation and regulatory proceedings. From 2009 to 2011 Mr. Strong served as the General Counsel and Compliance Officer for the Texas A&M University System where he led efforts to secure a multi-billion dollar federal contract to serve as a first line of defense for influenza pandemics and biological threats. As part of that effort, he led the formation of a state-owned biomanufacturing company (Kalon Biotherapeutics) and was subsequently appointed CEO of Kalon that would develop and manufacture biologics for clinical and commercial supply for pharmaceutical and biotech companies. In addition to raising capital, Mr. Strong oversaw the successful sale, in 2014, of Kalon to a subsidiary of FUJIFILM Corporation and Mitsubishi Corporation. Mr. Strong has a J.D., Law from South Texas College of Law. Mr. Strong is a Director and Chair of the Compensation Committee for Ashford Hospitality Prime which is listed on the NYSE.

Further Information

All information contained in this news release with respect to A2 and Medicenna was supplied by the parties respectively, for inclusion herein, and each party and its directors and officers have relied on the other party for any information concerning the other party.

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All information contained in this news release with respect to A2 and Medicenna was supplied by the parties, respectively, for inclusion herein, and A2 and its directors and officers have relied on Medicenna for any information concerning such party.

Completion of the Qualifying Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange requirements, majority of the minority shareholder approval. Where applicable, the Qualifying Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Qualifying Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this press release.

This news release contains forward-looking statements relating to the timing and completion of the Proposed Transaction, the future operations of the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the Proposed Transaction and the future plans and objectives of the Company, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include the failure to satisfy the conditions to completion of the Proposed Transaction set forth above and other risks detailed from time to time in the filings made by the Company with securities regulations.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. As a result, the Company cannot guarantee that the Proposed Transaction will be completed on the terms and within the time disclosed herein or at all. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.