



## NORTHWEST BIOTHERAPEUTICS

Northwest  
Biotherapeutics, Inc.

4800 Montgomery Lane  
Suite 800  
Bethesda, MD 20814

t (240) 497-9024  
f (240) 627-4121

[www.nwbio.com](http://www.nwbio.com)  
OTCBB: NWBO

### Media Contacts:

Les Goldman, 202-371-7700  
[lgoldman@nwbio.com](mailto:lgoldman@nwbio.com)

Tom Redington 203-222-7399  
[trredington@redingtoninc.com](mailto:trredington@redingtoninc.com)

Heather Ford, 410-598-8256  
[hford@nwbio.com](mailto:hford@nwbio.com)

### **NORTHWEST BIO IMPLEMENTS MAJOR BALANCE SHEET CLEAN-UP**

#### ***Removes \$31.5 Million Of Liabilities***

Bethesda, Maryland, December 2, 2011 -- Northwest Biotherapeutics (OTC.BB: NWBO) (Northwest Bio) announced today that it has implemented a major clean-up of its balance sheet, removing \$31.5 million of liabilities through settlement, retirement and conversion.

This restructuring reduces the Company's liabilities from \$48 million at the end of the third quarter to \$16.5 million. Only about \$2.3 million of this remaining \$16.5 million relates to trade payables, which the Company is maintaining on a current basis. More than \$3 million consists of investment debt held by related parties, and the remaining \$11 million consists of investment debt held by angel investors and institutions, most of whom have been long-term supporters of the Company. These investors have consistently converted their debt to equity and/or extended their maturity dates, and it is anticipated that most of this remaining investor debt will convert to equity in due course.

On November 28, 2011, the Company resolved over \$5 million of debt (principal and accumulated interest) that it owed to Al Rajhi Holdings, a Bahrainian family investment group specializing in advanced medical science, which is the third largest shareholder of the Company. This debt arose from a \$4 million Note entered into by the Company and Al Rajhi in May, 2008, with a 6-month maturity and a twelve percent annual interest rate. The Note has gone through multiple extensions and reached a total of over \$5 million.

The final resolution of this Note, now, involves conversion of half (\$2.5 million) of its \$5 million balance into equity, and repayment of the other half through a series of installment payments (which are already under way) over the course of the next year. The conversions into equity will be made at a conversion price of \$0.57, in exchange for approximately 4.4 million shares of Northwest Bio's common stock.

On November 25, 2011, the Company resolved over \$9.8 million of debt that it owed to Cognate BioServices for contract manufacturing and related services provided by Cognate during the period from 2008 to 2011: \$9.2 million was converted into equity on November 25, 2011, and the remaining \$679,000 is expected to be converted soon (on the same terms). Since Cognate is an affiliate of Toucan Capital, that status enabled Toucan to require Cognate to continue doing Northwest Bio's manufacturing and related regulatory work during the long periods from 2008-11 when Northwest Bio was not able to make those payments. Cognate has helped support Northwest Bio since 2005, and is expected to continue to do so.

The settlement and conversion of the accumulated debt to Cognate was made in accordance with an agreement dating back to September 2009 (and reported in Northwest Bio's 10Q and 10K filings since that time) for such a conversion. Under the agreement, the conversion price was to be equal to the lowest conversion price provided to any other creditor during the period involved, which turned out to be \$.20 per share. Accordingly, the \$9.2 million debt converted on November 25, 2011, was converted into 46 million newly issued shares of unregistered, restricted common stock.

Finally, on November 29, 2011, the Company became eligible to remove \$16.6 million of debt liability that was previously required to be included in the Company's financial statements because the total amount of Company securities (issued and outstanding stock, plus options, warrants and convertible debt) was above the Company's authorized share ceiling (150,000,000 shares). The Company's 102,843,148 shares of issued and outstanding stock were well below the ceiling, but the inclusion of options, warrants and convertible debt took the total above the ceiling. As an accounting matter, the excess securities above the ceiling were required to be valued and treated as liabilities of the Company.

On November 29, 2011, the holders of a majority of the shares of the Company's stock voted to increase the authorized ceiling from 150 million shares to 450 million shares. When this increase is effective in several weeks, the Company's \$16.6 million liability related to the insufficiency of authorized shares will be removed in its entirety.

Linda Powers, Northwest Bio's CEO, commented that, "We are very pleased to be able to make such a major reduction in liabilities as part of our ongoing program of strengthening of our balance sheet. With just \$2.3 million of accounts payable, maintained on a current basis and relating to the Company's accelerating 240-patient clinical trial in its lead program, and with the remaining debt in the hands of mostly long-term supporters of the Company, we are making great progress in reaching a stronger and healthier financial position. Combined with the strength of our science and our clinical trials, our programs in both the US and Europe (the two largest medical markets in the world), and our growing outreach, this major balance sheet clean-up helps to position us to move to the next market level."

### About Northwest Biotherapeutics

Northwest Biotherapeutics is a biotechnology company focused on developing immunotherapy products to treat cancers more effectively than current treatments, without toxicities of the kind

associated with chemotherapies, and on a cost-effective basis in both the US and Europe. The Company has a broad platform technology for dendritic cell-based vaccines. The Company's lead clinical trial is a 240-patient Phase II trial in newly diagnosed Glioblastoma multiforme ("GBM"), the most aggressive and lethal of brain cancer. The Company also previously received clearance from the FDA for a 612-patient Phase III trial in prostate cancer, and clearance from the FDA for Phase I trials in multiple other cancers. The Company has also conducted a Phase I/II trial with DCVax® for recurrent metastatic ovarian cancer. For further information about clinical sites and about the Company, please visit the Company's web site at [www.nwbio.com](http://www.nwbio.com).

## **Disclaimer**

*Statements made in this news release that are not historical facts, including statements concerning future treatment of patients with GBM using DCVax®-Brain and future clinical trials, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expects," "believes," "intends," and similar expressions are intended to identify forward-looking statements. Actual results may differ materially from those projected in any forward-looking statement. Specifically, there are a number of important factors that could cause actual results to differ materially from those anticipated, such as the Company's ability to raise additional capital, risks related to the Company's ability to enroll patients in its clinical trials and complete the trials on a timely basis, the uncertainty of the clinical trials process, uncertainties about the timely performance of third parties, and whether the Company's products will demonstrate safety and efficacy. Additional information on these and other factors, including Risk Factors, which could affect the Company's results, is included in its Securities and Exchange Commission ("SEC") filings. Finally, there may be other factors not mentioned above or included in the Company's SEC filings that may cause actual results to differ materially from those projected in any forward-looking statement. You should not place undue reliance on any forward-looking statements. The Company assumes no obligation to update any forward-looking statements as a result of new information, future events or developments, except as required by securities laws.*

