

FOR IMMEDIATE RELEASE:

EBI ANNOUNCES COMPLETION OF EA-230 PHASE IB SINGLE DOSE HUMAN LPS CHALLENGE

Washington DC, October 20, 2005 — Privately-held Exponential Biotherapies, Inc. ("EBI"), a Washington DC based drug discovery and development company, today announced that it has successfully completed the Phase Ib safety trial with its lead drug candidate EA-230. The trial was designed to determine whether EA-230 could attenuate the inflammatory response induced by the infusion of small amounts of a well-characterized bacterial endotoxin (lipopolysaccharides or "LPS") into healthy volunteers (the "LPS Challenge"). The target application for EA-230 is a group of disorders commonly known as systemic inflammatory response syndrome ("SIRS"), which includes the clinical condition known as sepsis.

The study conducted by SGS Life Science Services, in Wavre, Belgium, involved a double-blind, randomized, single dose, placebo-controlled protocol, consisting of 1 group of 12 subjects. All twelve subjects received LPS by injection, followed 30 minutes later by administration of EA-230 or a placebo. Cytokine profiles were assessed to establish the effect of EA-230 on inflammatory parameters.

Pharmacokinetic analysis of the study subjects elicited a reduction of parameters that included pro-inflammatory cytokines (IL-6, IL-8, and TNF- α), C-Reactive Protein, a rise in body temperature as compared to the control group and a reduction in the drop in white blood cell counts typically associated with LPS exposure. Correspondingly, the data revealed an increase in the anti-inflammatory cytokine IL-10.

"We consider this to be a successful outcome of this study, because it suggests that EA-230 may reduce an inflammatory response which occur following the introduction of an endotoxin," said Zsolt Harsanyi, Ph.D., EBI's Chairman and CEO. "The LPS study was selected to create an artificial proxy for an actual clinical scenario, although the study subjects were not spontaneously sick from endogenous bacterial debris. However, the LPS study may be regarded as a surrogate test to assess whether a treatment may reduce a patient's inflammatory response which, if left unchecked, could lead to septic shock." Dr. Harsanyi added that "These study results, combined with the results of our earlier Phase Ia single dose trials, are expected to provide the basis for the development and implementation of more comprehensive Phase II human trials on EA-230."

EBI is a privately held, Washington DC based drug discovery and development company with a growing pipeline of novel small molecule drugs to treat a wide range of severe inflammatory disorders such as septic shock, radiation sickness and avian influenza. These compounds represent a new class of immune regulating therapeutic agents.

Forward-looking statements

This press release contains forward looking statements, including statements related to our clinical trials and product candidates. These statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. These statements reflect our current views

with respect to future events and are based on assumptions and subject to risks and uncertainties. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these or other risks and uncertainties, which include, without limitation, risks related to the progress, timing and results of clinical trials (including our ability to initiate and complete subsequent clinical trials involving EA-230 or any other product candidate); risks that subsequent clinical trials may show EA-230 is not safe and/or effective; issues relating to the intellectual property upon which our drug candidates are dependent; difficulties or delays in obtaining regulatory approval or clearance which are necessary or advisable in the conduct of future clinical trials or are necessary for the commercialization of EA-230 or any of our other product candidates; manufacturing issues relating to EA-230 or any other drug candidate; our ability to obtain financial resources necessary to support our clinical trials, other operations and financial commitments; competitive issues; and other regulatory considerations which affect the business prospects of EBI. Given these and other uncertainties, you should not place undue reliance on these forward-looking statements.

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