

## **FOR IMMEDIATE RELEASE**

### **EBI ANNOUNCES START OF PHASE 2 HUMAN CLINICAL TRIALS ON RENAL PROTECTION**

**McLean, Virginia, May 18, 2009** – Privately held Exponential Biotherapies, Inc. (“EBI”), headquartered in McLean, Virginia, today announced the start of a Phase 2 human clinical trial for its lead drug candidate, EA-230.

The Company has designed a dose ranging trial with 150 randomized patients that will test the safety and efficacy of EA-230 in reducing kidney damage in patients undergoing on-pump cardiovascular surgery. The first patient was enrolled at the Hannover University Medical Center (MHH) in Hannover, Germany, one of two planned trial centers. Under the direction of Professor Hermann Haller (Department of Nephrology) and Professor Axel Haverich (Division of Cardiac, Thoracic, Transplantation and Vascular Surgery), the study will be conducted by Professor Faikah Gueler and the Principal Investigator, Professor André Simon.

Previous Phase 1 studies of EA-230 have provided evidence of safety in human volunteers. Pre-clinical efficacy studies have shown that EA-230 can protect the kidneys of animals that had been subjected to interruption of renal blood flow. Upon resumption of circulation, untreated animals normally suffer kidney damage or, in severe cases, death due to the sudden influx of oxygenated blood and the accompanying inflammation. Animals treated with EA-230, however, were found to benefit from the experimental drug’s protective effect. In human patients who undergo on-pump cardiovascular surgery, there is also an interruption of blood flow which may result in kidney damage. According to Michael Brownstein, M.D., Ph.D., the Company’s Chief Scientific Officer, “The animal model is closely analogous to the human clinical situation. We expect EA-230 to mitigate the damage which might follow any interruption of blood flow to critical organs.”

#### **About Exponential Biotherapies, Inc.**

EBI is a privately held, McLean, Virginia 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 acute kidney injury, septic shock, radiation sickness and avian influenza infections. Our compounds represent a new class of immune regulating therapeutic agents. The Company's first candidate drug, EA-230, is currently about to enter into Phase 2 clinical trials.

#### **About Hannover Medical School**

The Hannover Medical School, founded in 1965, is one of the world's leading university medical centers. The campus covers an area larger than 50 football fields and includes

the Central Clinic surrounded by the Clinic for Paediatrics, the Clinic for Dentistry and Orthodontics, research laboratories, lecture theatres, the library, residences and recreational facilities.

Their research and patient care set national and international standards; and their outstanding success in interdisciplinary collaboration both within the MHH and with extramural scientific institutions is reflected in the fact that the MHH is the German medical university with the greatest volume of grant funding.

#### **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 as to the adequacy of the proceeds of the financing to satisfy our financial requirements; risks related to the progress, timing and results of clinical trials; risks that subsequent clinical trials may show our candidate compounds are 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 any of our product candidates; manufacturing issues relating to any of our drug candidates; 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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