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VIRxSYS To Presents New VRX496 Phase II HIV Gene Therapy Trial Data
Update at American Society of Gene Therapy Annual Meeting

GAITHERSBURG, MD – May 29, 2008 –VIRxSYS Corporation, a privately held company developing gene therapies for HIV and genetic diseases, will present additional results from its Phase II trial of VRX496, an investigational gene therapy for the treatment of AIDS, at the 2008 American Society of Gene Therapy Annual Meeting in Boston, Massachusetts. Dr. Carl H. June, MD from the University of Pennsylvania will present new data from VRX496 trials as part of a session: Infectious Disease: Novel Gene Therapy Strategies Against Infection.

“The Phase I trial gave us an early idea of the safety and potential efficacy of VRX496,” said Carl H. June, Professor, Department of Pathology and Laboratory Medicine at the University of Pennsylvania. “In the Phase I/II and Phase II trials we are seeing the same strong safety profile, but are beginning to have a better idea of how VRX496 works and understand the potential for gene therapy as a realistic treatment for HIV infection.”

In the current Phase I/II trial 12 patients have been dosed and in the Phase II trial 54 patients have been dosed. VRX496 has been administered to patients using one, two, four or eight doses. Unlike anti-retroviral drugs, which bind to HIV protein to keep the virus from replicating, VRX496 appears to bind to the RNA of the HIV, which changes the genetics and the biology of HIV, including the molecular diversity of HIV and the fitness of HIV to replicate.

“We are very honored to have Dr. June present interim results from our Phase I/II and Phase II clinical trials,” said Riku Rautsola, PhD, President and CEO of VIRxSYS. “VRX496 continues to demonstrate promising results in our ongoing clinical trials. We are optimistic about the future potential of VRX496 as a realistic treatment for HIV infection.”

In addition to conducting studies in humans to investigate VRX496, VIRxSYS is currently conducting investigational preclinical studies of the company’s HIV gene therapy vaccine (VRX1023). The future goal of the HIV vaccine program will be to suppress the impact of the initial infection, thereby significantly slowing or halting the progression of the disease. Due to the properties of the virus and the transmission of the infection, a traditional total sterilizing approach may not be a feasible goal for the HIV vaccine. Rather, the objective is to create a therapeutic and prophylactic vaccine that reduces the impact of hyper-viremia in the first weeks of the infection.

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About VRX496

VRX496 is an investigational gene therapy for the treatment of HIV/AIDS. Current therapies for HIV-infected patients require daily drug regimens and have well documented side effects. It is anticipated that VRX496 will only require a minimal number of infusions and, to date, has been infused in 59 patients which represents an accumulative time period of 105 therapy years. VIRxSYS has presented preliminary findings on its patient safety monitoring. VRX496 also is different from previous gene therapies because it uses a lentiviral vector derived from HIV-1 itself. Unlike other viral vectors, lentiviral vectors appear to sustain expression of the delivered genes of interest for a longer period of time and do not appear to elicit an inflammatory immune response.

About VRX1023

VRX1023 is a preclinical investigational prophylactic HIV vaccine currently showing encouraging results in trials using small animals. Non-human primate studies are currently in progress. The objective of VRX1023 is to provide long term immune protection against HIV replication, preventing the massive destruction of CD4 T cells and also halting the subsequent slow destruction of the immune system by HIV.

About VIRxSYS

VIRxSYS is a private biotechnology company using proprietary lentiviral vector delivery and RNA payload platforms to develop therapies for serious human diseases. The Company's initial lentiviral delivery technology was exclusively licensed from The Johns Hopkins University and has been substantially advanced in the Company's laboratories. The RNA payload technology was acquired and has been integrated with the Company's lentiviral delivery technology. In addition to preclinical programs for cardiovascular and genetics the Company is currently developing gene and vaccine therapies for HIV, one of which, VRX496, has advanced to Phase II human clinical trials. More information regarding VIRxSYS can be found at www.virxsys.com. Details for the Phase II study can be found at the NIH clinical trials website at clinicaltrials.gov/show/NCT00131560.

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Forward-Looking Statements

This announcement contains, in addition to historical information, certain forward-looking statements that involve risks and uncertainties, in particular statements related to the research and development of VRX496. Such statements reflect the current views of VIRxSYS and are based on certain assumptions. Actual results could differ materially from those currently anticipated as a result of a number of factors, including risks and uncertainties related to drug development activities. There can be no assurance that such development efforts will succeed, that the products will receive required regulatory clearance or, even if such regulatory clearance is received, that the subsequent products will ultimately achieve commercial success. Further, any forward-looking statements contained in this announcement speak only as of the date hereof, and VIRxSYS expressly disclaim any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as otherwise may be required by applicable law or regulation.