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***VIRxSYS ACQUIRES RIGHTS IN PATENTS FROM OXFORD BIOMEDICA PLC  
WHICH WILL ENHANCE PRODUCTION OF LENTIVIRAL VECTOR  
TECHNOLOGY***

**GAITHERSBURG, MD- (August 10, 2006)** – VIRxSYS Corporation announced today the execution of a licensing agreement to obtain rights to use envelope and cell line technology from Oxford BioMedica plc (LSE:OXB). This technology is expected to facilitate commercial scale manufacture of the VIRxSYS lentiviral vector gene delivery platform. Under the agreement, Oxford BioMedica receives an upfront license fee and annual maintenance payments as well as payments on the achievement of clinical and regulatory milestones by VIRxSYS and product royalties. Further financial details were not disclosed.

“We are pleased to have secured rights under these patents,” said Dr. Riku H. Rautsola, CEO of VIRxSYS. “These rights, combined with our extensive intellectual property portfolio, will help VIRxSYS continue its lead position in the clinical development of lentiviral vector-based treatments for HIV infection.”

VIRxSYS has developed a lentiviral vector platform derived from the HIV virus. This vector is packaged with an envelope protein, VSV-G, that is different from the HIV envelope in a way that helps improve the manufacturing performance. By packaging the vector with the VSV-G protein, which is patented by Oxford BioMedica, VIRxSYS is able to perform the stringent purification of vector from human cell lines necessary for clinical grade vector, increase the transduction efficiency of the vector, and allow the vector to enter and genetically modify most cell types.

The first application of VIRxSYS’ lentiviral vector platform is VRX496, a CD4 T Cell treatment against HIV. VRX496 is currently in Phase II clinical trials evaluating the safety, tolerability and efficacy of multiple infusions. In an earlier Phase I clinical trial, a single infusion of VRX496 was shown to be safe and tolerable; preliminary evidence indicated some antiviral effects.

**About VIRxSYS**

Founded in 1998, VIRxSYS is a private biotechnology company that develops therapies for serious diseases, such as HIV, cancer and genetic diseases, utilizing its novel lentiviral vector platform. The Company exclusively licensed certain foundational technology from The Johns Hopkins University in Baltimore, Maryland, where the original research was conducted. In addition, the Company has been awarded additional patents relating to the application and manufacture of the vector technology.

VIRxSYS' focus is on the use of its lentiviral gene delivery technology, which is the critical link to delivering genetic medicines for the treatment of a broad range of life-threatening diseases such as HIV/AIDS and cancer. The first application of VIRxSYS's genetic therapy delivery system is an anti-HIV therapy, VRX496, that patients undergo in the hope they can be removed from chronic drug therapy. The goal of this therapy is to repopulate a patient's immune system with genetically engineered cells that can support immunity both against HIV and other infections.

After a successful first-in-class Phase I clinical trial that demonstrated the safety profile of VRX496, this new ex-vivo anti-HIV treatment using a lentivector currently is being evaluated in the first-ever Phase II clinical trial approved by the FDA involving a lentiviral vector. The Company's lentiviral vector platform is an ideal delivery system for the effective treatment of disease and is also being investigated for applications in anti-cancer therapies and the treatment of other various life threatening diseases.

More information regarding VIRxSYS can be found at [www.virxsys.com](http://www.virxsys.com).

Details for the Phase II study may be found at the NIH clinical trials website at [clinicaltrials.gov/show/NCT00131560](http://clinicaltrials.gov/show/NCT00131560).

### **About Oxford BioMedica**

Oxford BioMedica (LSE: OXB) is a biopharmaceutical company specializing in the development of novel gene-based therapeutics with a focus on the areas of oncology and neurotherapy. The Company was established in 1995 as a spin out from Oxford University, and is listed on the London Stock Exchange.

Oxford BioMedica has core expertise in gene delivery, as well as in-house clinical, regulatory and manufacturing know-how. In oncology, the pipeline includes an immunotherapy and a gene therapy in multiple Phase II trials, and a preclinical targeted antibody therapy in collaboration with Wyeth. In neurotherapy, the Company's lead product is a gene therapy for Parkinson's disease, which is expected to enter clinical trials in 2006, and four further preclinical candidates. The Company is underpinned by over 80 patent families, which represent one of the broadest patent estates in the field.

The Company has a staff of approximately 70 split between its main facilities in Oxford and its wholly owned subsidiary, BioMedica Inc, in San Diego, California. Oxford BioMedica has corporate collaborations with Wyeth, Intervet, Sigma-Aldrich, Viragen, MolMed and Kiadis; and has licensed technology to a number of companies including Merck & Co, Biogen Idec and Pfizer.

Further information is available at [www.oxfordbiomedica.co.uk](http://www.oxfordbiomedica.co.uk).

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*VIRxSYS – “Delivering the Promise of Genetic Medicine”™*