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**VIRxSYS INFUSES FIRST PATIENT IN LENTIVIRAL VECTOR
CLINICAL TRIAL FOR HIV/AIDS**

Gaithersburg, MD – July 31, 2003 – VIRxSYS Corporation, a private biotechnology company focused on the development of genetic medicines and vaccines for the treatment and management of serious diseases such as HIV/AIDS, today announced the initial dosing of an HIV-positive patient in its Phase I/IIa lentiviral vector trial. The trial involves the first-ever use of a lentiviral vector in humans, designed to inhibit the replication of HIV. The patient has been infused with autologous T cells modified with VIRxSYS' lentiviral vector, VRX496. The goal for this potential new therapy for HIV/AIDS is to place the disease into permanent remission by creating an “army” of VRX496-enabled CD4 T cells in the patient’s body that permanently suppresses HIV infection and restores the body’s immune system.

Dr. Boro Dropulic, Founder and Chief Scientific Officer of VIRxSYS, commented, “The first-ever dosing of a lentiviral vector in humans is a significant step towards developing a new generation of effective genetic therapies for a wide variety of serious diseases such as HIV/AIDS. Lentiviral vectors can stably deliver genetic payloads to primary human cells with extraordinarily high efficiency, something that the field has lacked until now. The goal for HIV/AIDS genetic therapy is to create a critical mass of the patients’ CD4 T cells engineered with VRX496 that will resist productive HIV infection and consequently act to control replication of the virus to levels not conducive to the development of symptomatic AIDS.”

The trial is being led by University of Pennsylvania's Drs. Rob Roy MacGregor, principal investigator, and Carl H. June, co-investigator, both leaders in the fields of infectious diseases and T cell transplantation. All patients will be extensively monitored for safety 24, 48 and 72 hours after the dose is administered, and again at days 7, 14 and 21. Further, the patients will be tested at three and six months, and then on a yearly basis for 15 years. VIRxSYS expects to compile early safety follow-up data for the first patient by September 2003.

About VIRxSYS

VIRxSYS Corporation is a private biotechnology company founded in 1998, which focuses on the development of a novel HIV lentiviral vector platform technology for the treatment of serious diseases such as HIV/AIDS and cancer. The Company's highly patented, proprietary technology platform and product application strategy is based on research originally conducted at and exclusively licensed from The Johns Hopkins University (JHU) in Baltimore, Maryland by VIRxSYS' Founder and Chief Scientific Officer, Dr. Boro Dropulic. Signature Capital, the Company's lead investor, is a unique venture capital company co-founded and co-managed by Bill Sick and Bill Turner that specializes in identifying companies with innovative approaches. Additional information is available at VIRxSYS' Web site at <http://www.virxsys.com>, and at Signature Capital's Web site at <http://www.sigcap.com>.

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