

FOR IMMEDIATE RELEASE:

Contact: Dr. Riku H. Rautsola

Office #: 301-987-0480 ext. 223

E-mail: riku@virxsys.com

**First Patients Have Completed Infusions in Multiple-Dose Phase II
Clinical Trial for HIV/AIDS Gene-Based Immunotherapy**

GAITHERSBURG, MD–(March 17, 2006) – VIRxSYS Corporation announced today that each of the three safety patients in the four-dose cohort have successfully completed all scheduled infusions in its Phase II clinical trial to evaluate VRX496, a gene-based immunotherapy for treatment of HIV. Each of the three patients treated has reached the three-month post-infusion visit with no serious adverse events due to the product.

The clinical trial is being conducted in four HIV treatment centers across the United States and is the first in history to evaluate repeated dosing of a lentiviral vector in humans.

Gene therapy for treatment of HIV has been proposed as an alternative to antiretroviral drug therapy due to emerging drug resistance and toxicity that often limits HAART as a therapeutic option. “Gene-based immunotherapy offers the prospect of dramatically changing the way we treat HIV infected individuals. Our hope is that this new approach may yield great benefits for the patients we serve,” said Dr. Riku Rautsola, CEO, VIRxSYS.

The Phase II trial is designed to evaluate the safety, tolerability, and efficacy of repeated infusions of autologous T cells transduced with lentiviral vector-based therapy VRX496, at the same dosing level evaluated in Phase I studies. Patients are monitored for six months after their final dose. Study sites will continue to monitor participants annually for fifteen years to evaluate long-term safety. Completion of the Phase II study is expected in the fall of 2006.

VRX496, a CD4 T cell treatment against HIV, is the first application of VIRxSYS’ lentiviral vector platform. 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. The backbone of VRX496 is an HIV-based lentiviral vector from which the disease-causing aspects of the virus have been removed, leaving behind an efficient gene-delivery vehicle. VIRxSYS then equipped the vector with a long antisense sequence against the HIV envelope protein to create VRX496. VRX496 is transduced into a patient’s own CD4 T cells, to block HIV replication. Researchers believe this would potentiate the immune response against HIV and protect or restore normal immune function against other infections.

About the Company

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. More information regarding VIRxSYS can be found at www.virxsys.com. Details for the Phase II study may be found at the NIH clinical trials website at clinicaltrials.gov/show/NCT00131560.

#

200 Perry Parkway, Suite 1A
Gaithersburg, Maryland 20877 USA
www.virxsys.com
Telephone: 301.987.0480
Fax: 301.987.0489

VIRxSYS – “Delivering the Promise of Genetic Medicine”™