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VIRxSYS to Host a Web Conference to Announce Clinical Trial Update
Summary of data from five 2008 conferences

GAITHERSBURG, MD – JULY 21, 2008 –VIRxSYS Corporation, a privately held company developing gene therapies for HIV and genetic diseases, will present an update on the VRX496 Phase I and Phase II clinical trials for the media and members of the advocacy community. VRX496 is an investigational gene therapy for the treatment of AIDS. The presentation will take place on Thursday, July 24, 2008 at 11 a.m. EDT. The presentation can be accessed through a secure web site, <https://www.livemeeting.com/cc/vcc/join?id=w5395452&role=attend&pw=A539545> and toll-free conference line: (800) 768-6570, using the passcode 5395452.

The speakers will be:

- Gary McGarrity, PhD, Executive Vice President for Scientific Affairs, VIRxSYS
- Carl June, MD, Professor, Department of Pathology and Laboratory Medicine, University of Pennsylvania

“Over the last six months we have presented clinical trial update for VRX496 and preclinical development update for VRX1023 at five conferences in three countries. We wanted to take this opportunity to summarize what we have shown over the last six months as well as talk about what we have learned at the conferences regarding how VRX496 and VRX1023 might play in the treatment of HIV infection,” said Riku Rautsola, PhD, President and CEO of VIRxSYS. “These conferences have not just been an opportunity to present our data, but we have also learned more about what we do and gotten feedback from leaders in the field. For example, in Paris, Dr. Fauci’s presentation focused on the discovery and identification of a new immune cell receptor that binds to HIV, a cell adhesion molecule known as integrin alpha 4 beta 7 that is found to direct CD4 T cell traffic to GALT and enhance cellular interaction through forming synapses between T cells. This was interesting and welcome news for VIRxSYS because VRX-496 transduced CD4 T cells have a high expression of the same receptors and there is large presence of such T cells in GALT.”

VIRxSYS presented data at the following four conferences in the first half of 2008:

Annual Conference on Retroviruses and Opportunistic Infections (Boston, MA, USA) February 2008

Results demonstrating the slowing and possible halting of HIV replication in humans were presented from the Phase II trial of VRX496, a gene therapy treatment for patients with AIDS. VRX496 is a lentiviral vector that is derived from HIV-1 itself but has the disease-causing elements removed. VIRxSYS used this vector to deliver RNA antisense targeting the HIV envelope and observed that VRX496 appeared to cause wild type (wt) - HIV particles to lose their envelopes. Additionally, the in vivo pressure delivered by a

patient's own modified cells led to massive quasispecies reductions and the production of impaired and less replicative virions. Treatment with VRX496 appeared to have a measurable effect on the replicative fitness of HIV for up to three years following just one injection.

Keystone Symposia on Molecular Mechanisms of HIV Pathogenesis and HIV Vaccine (Banff, Alberta, Canada) March 2008

VIRxSYS presented initial mouse and primate data from the study of VRX1023, a new vaccine approach that uses a lentiviral vector expressing HIV antigens. In the study, VRX1023 delivered antigens that induced long-lasting cellular and humoral immune responses, better than those seen with other viral vectors, a powerful approach used to elicit anti-HIV immune responses. The goal of VRX1023 is to induce a powerful immune response, thereby reducing the impact of the first stages of infection by preventing the massive destruction of CD4 T cells that ensues. Activation of both cellular and humoral immunity can also halt the slow destruction of the immune system by the latently dormant virus. The results from these studies of VRX1023 have led to the initiation of further confirmatory studies in primates.

Institut Pasteur (Paris, France) May 2008

To commemorate the 25th anniversary of the isolation of HIV, researchers gathered at the Institut Pasteur to present cutting edge viral and clinical research. Present at this conference were Dr. Robert Gallo and Dr. Luc Montagnier, the discoverers of HIV. At the Institut Pasteur, VIRxSYS presented data from the preclinical studies of VRX1023. This innovative anti-HIV vaccine, which uses an HIV-based lentivector as vector boost, aims to reduce the impact of hyper-viremia in the first few weeks of infection. VRX1023 offers new hope for the development of an HIV-vaccine.

American Society of Gene Therapy (Boston, MA, USA) May 2008

At the American Society of Gene Therapy conference, Dr. Carl June and Dr. John Zaia presented updates on the safety of VRX496 in Phase II clinical trials. VRX496 continues to demonstrate a strong safety profile, with no adverse events associated with the treatment, which is being administered to patients using one, two, four or eight doses. The Phase II results also allowed the researchers to have a better understanding of how VRX496 works. Unlike anti-retroviral drugs, VRX496 appears to bind to the RNA of HIV, changing the genetics and biology of the virus, including the molecular diversity of HIV and the replicative fitness. In addition to these results, VIRxSYS also presented three posters on their new gene therapy vaccine, VRX1023. VRX1023 is a preclinical investigational prophylactic HIV vaccine that aims to protect but not totally sterilize individuals, thereby minimizing the likelihood of new infections.

Conference on Lentiviral Vectors (Evry, France) July 2008

VIRxSYS was invited to present its patient monitoring data at this international conference funded by the European Community. As the sponsor of the world's first clinical trial using lentiviral vectors, VIRxSYS has the most extensive data base of patient safety monitoring, in addition to being the largest manufacturer of clinical grade lentiviral vectors.

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 60 patients, which represents an accumulative time period of 110 therapy years. 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.