

Vaxon-Biotech and Institut Pasteur Announce Collaboration to Develop New Products and Models for Cancer Immunotherapy

EVRY-GENOPOLE and PARIS, France, April 3rd, 2006, Vaxon-Biotech and Institut Pasteur announced today that they have entered into a cross-licensing and collaboration agreement to develop and commercialize new vaccine products and new transgenic animal models. In order to validate Vaxon-Biotech's vaccines designated to treat cancer, they will use newly developed transgenic HLA humanized mice established within the Institut Pasteur Laboratory of Cellular Immunity led by Professor François Lemonnier. Through this collaboration, Vaxon-Biotech aims to develop a pipeline of products covering major HLA superfamilies to treat most cancer patients. Institut Pasteur is a worldwide recognized center of excellence in the field of immunology with specific emphasis in viral (including HIV) and cancer, a major (one third) cause of deaths, especially in developed countries. Vaxon-Biotech is the first entrant to make vaccines with new class of antigens: optimized cryptic peptides. The most advanced products, Vx-001 and Vx-006, restricted to HLA-A2 patients are novel treatments for solid tumors. Financials not herein provided.

"As a company strongly committed to the successful development of anti-cancer immunotherapeutics, we are excited to expand our new vaccine research programs through this collaboration with Institut Pasteur," said Vaxon-Biotech's Chief Scientific Officer Kostas Kosmatopoulos (MD, PhD). "Whereas Vx-001 and Vx-006 products are injectable peptide plus adjuvant composed vaccines allowing treatment of about half of the patients, those restricted to HLA-A2, it is essential to develop complementary products allowing our vaccines to be prescribed to the vast majority of cancer patients."

"After 10 years of tight fruitful collaboration with Kostas Kosmatopoulos' team, allowing Vaxon's first products to be successfully developed into the clinic, I am deeply satisfied to see such a confirmation of our collaboration." said François Lemonnier (MD, PhD), Immunologist, Head Laboratory of Cellular Immunity, Institut Pasteur. "For the past 20 years, since the isolation of the first human histocompatibility HLA class I genes, the laboratory has committed itself in the creation of animal models that would faithfully recapitulate human immune responses. Such animals could therefore be used for a preclinical design and evaluation of candidate vaccines against human viral infections and cancers. It has already been possible to use such mice for the identification and optimization of new molecules, specifically expressed by tumor cells and which could therefore be safely immunotherapeutically targeted".

About Vaxon-Biotech

Vaxon Biotech, founded in early 2004 and based in Evry Genopole, Paris, France, is a product-driven biopharmaceutical company focusing on the discovery and development (phase IIb and phase I/II) of innovative vaccines for the treatment of cancer. The company's pipeline is based on proprietary technologies and products: optimized cryptic peptides to treat cancers (therapeutic vaccines) by stimulating the immune system to recognize and attack human cancer cells without harming normal cells. These vaccines target antigens, overexpressed in tumor cells but present in very low quantities in normal cells. Synthesized

vaccination peptides are formulated in aqueous solution and associated with a standard adjuvant prior to subcutaneous injection. The first products under development are Vx-001 and Vx-006. Vx-001 achieved phase I clinical trial, showed good tolerance and immune response, and displayed long lasting stabilization in 30% of patients. Vx-001 is scheduled to enter pivotal phase IIb in hepatocellular cancer and phase IIa in NSCLC. Vx-006 is completing regulatory preclinical studies and is scheduled to enter phase I/II clinical development mid-2006, starting with prostate cancer.

About Institut Pasteur

The Institut Pasteur is one of the world's leading biomedical research centre. Founded by Louis Pasteur in 1887, it is a private, non-profit foundation dedicated to the prevention and treatment of diseases through biological research, education and public-health activities in France and throughout the world. Close to 2,600 people work on its campus in Paris, where a large part of its research activities are devoted to infectious diseases and cancers. The Institut Pasteur in Paris is the heart of an International Network made up of 29 institutes spread over the five continents and bringing together 9,500 people. The Institut Pasteur has a world-wide reputation for its ground-breaking research on infectious agents, immunology, molecular biology, neurosciences and for the discovery of the AIDS virus in 1983. Its scientists have been distinguished with eight Nobel prizes and a great number of other international prizes.

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