

NexBio Granted United States Patent Covering DAS181 (Fludase^{®*}) and its Use for Prevention and Treatment of Influenza and Parainfluenza

SAN DIEGO, CA, February 8, 2010 – NexBio, Inc. today announced the issuance by the United States Patent and Trademark Office of United States Patent No. 7,645,448 entitled “Class of Therapeutic Protein Based Molecules”. This patent covers NexBio’s sialidase pharmaceutical compositions, including its lead compound DAS181 (Fludase[®]), and methods of treating or preventing viral infection by influenza and parainfluenza with such compositions.

DAS181 is a broad spectrum drug candidate in Phase II human clinical development, being studied for the treatment and prevention of Influenza-Like Illness (ILI) caused by any strain of influenza and parainfluenza virus. Unlike neuraminidase inhibitors, e.g. Tamiflu[®] (oseltamivir), as well as vaccines, all of which target the influenza virus, DAS181 is a host-targeted entry blocker that works by inactivating the human receptors to which these viruses would otherwise bind; thus, it may be less likely to cause drug resistance compared with currently-available antiviral drugs.

“This patent further validates the unique and pioneering nature of the host-targeting approach used by DAS181 for the potential therapy and prophylaxis of any and all strains of influenza and parainfluenza virus,” said David Wurtman, MD, MBA, VP of Corporate Development of NexBio. “Our data show that by acting on sialic acid, the human receptor for these viruses, DAS181 appears to decrease the probability of drug resistance developing, while also offering an approach that may work when resistance has developed to other antivirals such as Tamiflu[®], Relenza[®] and peramivir,” Dr. Wurtman added.

The ‘448 patent is NexBio’s first issued U.S. patent. NexBio has several other U.S. and international patent applications pending directed to DAS181, some of which have issued in foreign countries. In addition, the company has numerous patent applications pending in the U.S and foreign countries for TOSAP[®], its technology platform for formulating large molecules, small molecules, and combinations thereof into dry powder, for additional potential products, and for SAFRAN[™], a formulation technology for parenteral delivery of siRNA.

ABOUT NEXBIO

NexBio, Inc. is a privately held clinical-stage biopharmaceutical company located in San Diego. NexBio’s mission is to save lives and to improve the quality of life by creating and commercializing novel, broad-spectrum biopharmaceuticals to prevent and treat current and emerging life-threatening diseases. DAS181 (Fludase[®]) is an investigational drug undergoing phase II clinical development, directed to the treatment and prophylaxis of influenza-like illness caused by any and all strains of influenza, including pandemic strains, and parainfluenza (which may cause serious respiratory illness similar to influenza and for which there is no approved vaccine or therapeutic). DAS181 is a host-targeted inhaled recombinant fusion protein that inactivates viral receptors on the cells of the human respiratory tract, thereby preventing and treating viral infection. The DAS181 development program is funded by the National Institute of Allergy and Infectious

Diseases (NIAID), part of the National Institutes of Health, under BAA Contract HHSN266200600015C and grant U01-AI070281. Viradin™, invented and developed by NexBio, is a parenteral protein at lead optimization stage, directed to the treatment of viral hemorrhagic fevers, bacterial biothreat agents and sepsis. TOSAP® is a technology invented and developed by NexBio and is used to formulate DAS181 for inhalation, as well as to make microparticles from virtually any type of molecule. TOSAP is offered for the formulation of compounds of partners, under license. SAFRAN™ is a technology invented and developed by NexBio, used to formulate siRNA for parenteral delivery.

For more information about NexBio, Inc., please visit <http://www.nexbio.com>

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* FDA has yet to approve the name Fludase.

DISCLOSURE NOTICE:

This release contains forward-looking information about the research and development program of NexBio and the potential efficacy of product candidates that might result from programs that involve substantial risks and uncertainties. Such risks and uncertainties include, among other things, the uncertainties inherent in research and development activities; decisions by regulatory authorities regarding whether and when to permit the clinical investigation of or approve any drug applications that may result from the programs as well as their decisions regarding labeling and other matters that could affect the commercial potential of product candidates that may result from the program; and competitive developments.