

AlphaVax Announces New \$16.8 Million NIH Award

AlphaVax, Inc. announced today that it has received notice of a new five-year, \$16.8 million contract from the National Institute of Allergy and Infectious Disease (NIAID) of the National Institutes of Health (NIH) an agency of the U.S. Department of Health and Human Services.

The award supports the development of a vaccine for HIV using the Company's proprietary vaccine technology under a special program from the Division of AIDS in the NIAID called the HIV Vaccine Design & Development Team. This program is aimed at technologies that show promise beyond the early research phase, and provide funding for pre-clinical development, production of vaccine material for clinical trials, and clinical studies.

In July of this year, the Company announced that it had initiated its first clinical trial under the auspices of the HIV Vaccine Trial Network (HVTN), a partnership of investigators, clinical trial sites, and community representatives working with industry and governments in the global search for a preventive HIV vaccine, and which is funded by NIAID. This latest award significantly extends the support that AlphaVax has received for its HIV vaccine program from the NIH, including \$5.5 million that was awarded in 2002 under a two-year cooperative agreement.

The AlphaVax vaccine technology is based on its proprietary ArV™ system. This system is of increasing scientific interest in diseases like HIV because of its ability to stimulate broad-based immune responses, including levels of cellular immunity thought to be critical to successful immune protection against many of the challenging diseases for which there are still no vaccines today. The technology utilizes a non-propagating form of an alphavirus vector that is engineered to express genes from disease-causing pathogens or cancers.

"The NIH has been a long-standing supporter of our program and our technology", Peter Young, AlphaVax President and CEO said. "A long-term commitment of this magnitude makes it possible both to progress our HIV vaccine efforts and simultaneously to advance our technology's potential for other significant disease targets. We are extremely grateful to the NIH for their far-sighted commitment to the practical demands of vaccine development, as well as for the confidence that they have placed in our technology."

The ArV™ vaccine technology is also being developed as a vaccine for several other diseases and bio-defense products, said Young. The Company recently announced receipt of two bio-defense grants totaling \$16.6 million. Other vaccines against diseases like herpes and prostate cancer are also under development with the Company's corporate, government, and academic partners.