



For Immediate Release

Xcellerex® and Gallus BioPharmaceuticals Announce Biomanufacturing Collaboration

Gallus Acquiring FlexFactory® Bioproduction Lines and Single-Use Bioreactors; Xcellerex Partners to Help Customers Gain Access to Commercial Biomanufacturing Facility

Marlborough, MA, and St. Louis, MO May 24, 2011 – Xcellerex, Inc. and Gallus BioPharmaceuticals, LLC today announced that they have entered into a collaboration that quickly provides Gallus with expanded cGMP biomanufacturing capacity by leveraging the key advantages of the turnkey Xcellerex FlexFactory® GMP manufacturing platform suite. The strategic collaboration will provide Gallus with world-class, scalable, flexible and cost-efficient manufacturing and laboratory technology to expand its contract manufacturing business. In addition this partnership will provide Xcellerex’s customers unprecedented access to a commercial, FDA approved, biomanufacturing facility.

Under the agreement, Gallus is acquiring several Xcellerex bioproduction systems for new suites and laboratories at its existing manufacturing facility. Along with single-use XDR bioreactors to quickly expand capabilities in an existing commercial manufacturing suite, Gallus is acquiring small scale 10L bioreactors for its expanded development laboratory and a turnkey FlexFactory cGMP manufacturing line with XDR single-use bioreactors up to 2000 liter scale for clinical supply. Such rapid capacity expansion with single-use technology not only enables Gallus to offer more services and options to its customers, but also augments Gallus’ existing, multi-suite commercial capacity with novel, proven single-use Xcellerex bioreactors. Through the collaboration, Xcellerex and Gallus will provide their customers with access to Gallus’ established biomanufacturing expertise in a world-class facility that has been inspected and approved by all major regulatory authorities.

“Gallus has a unique contract manufacturing business model that enables us to respond to clients’ changing capacity needs quickly, and achieve rapid, high quality production at a competitive price,” said Mark Bamforth, President and CEO of Gallus. “The partnership with Xcellerex allows us to leverage their single-use biomanufacturing platform. This is a strategic investment that rapidly provides us with additional manufacturing capacity and scale-up capabilities to deliver development, clinical and commercial products and services. The first manufacturing suite will be in place by the end of 2011. Additional suites can be added to meet specific customer needs, within the existing facility at our site in St. Louis.”

Gallus is a contract biologics manufacturer that was established in 2010 and recently acquired an existing Johnson & Johnson/Centocor manufacturing facility in St. Louis, Missouri. The facility is currently producing two commercial products that are approved globally. The company’s business model includes a “condominium” concept that allows a client to “virtually-own” a

manufacturing suite for its process development and production needs. This novel approach provides clients with complete flexibility in accessing capacity as needed.

Xcellerex Chief Executive Officer Guy Broadbent commented, “Gallus is capitalizing on the extraordinary flexibility afforded by the FlexFactory, along with the extensive manufacturing experience of its team, to provide innovative solutions for established as well as development-stage biopharmaceutical companies. The agreement provides us with an important path to offer full-scale commercial manufacturing to our customers.”

Separately, the companies announced that Mr. Broadbent will join the Gallus board of directors.

About Gallus BioPharmaceuticals

Gallus Biopharmaceuticals is a premier biologics contract manufacturing organization based in St. Louis, MO. Gallus operates an FDA-approved, commercially-certified facility formerly owned by Johnson & Johnson’s Centocor division. The Gallus facility has capabilities for mammalian cell culture and protein purification in both perfusion and fed batch mode and is being expanded to offer additional development and clinical services capabilities. The plant currently produces two leading commercial biologics products, distributed globally.

For further information, visit the Gallus website at www.gallusbiopharma.com

About FlexFactory

Xcellerex’s FlexFactory is an innovative, portable biomanufacturing platform, based on the innovative application of (1) single-use technologies; (2) controlled environmental modules (CEMs); and (3) advanced and proven process automation including electronic batch records. The FlexFactory effectively eliminates clean- and steam-in-place requirements and clean room infrastructure; greatly simplifies facility design, reducing manufacturing footprint and capital investment; and creates breakthrough gains in operating efficiency, flexibility and environmental friendliness.

About Xcellerex, Inc.

Xcellerex is commercializing turnkey biomanufacturing solutions that transform the speed and economics of producing therapeutic proteins, including biosimilars and vaccines. The company’s FlexFactory® is a complete modular and portable production train based on single-use technologies, advanced process automation, and compact clean room architecture.

FlexFactory allows deployment of GMP manufacturing capacity more rapidly and at greatly reduced costs compared with traditional facilities. Through its BridgeSourcing™ services, Xcellerex manufactures a partner’s biomolecules while the partner prepares for commissioning of its own new FlexFactory. When the partner’s facility is ready, Xcellerex deploys its TransPlant™ process to install, validate and train partner personnel in their own FlexFactory. This parallel-path model both accelerates time to clinical and commercial manufacturing and allows partners to manage the development and market risks associated with adding manufacturing capacity.

Xcellerex also leverages its proprietary single use technologies through the sale of XDR bioreactors, XDM Quad Mixers, and related single-use assemblies. To date, more than 20

therapeutic proteins and vaccines have been manufactured for clinical trials using Xcellerex technology.

Based in Marlborough, Massachusetts, Xcellerex is backed by an experienced management team and top-tier venture investors including Kleiner Perkins Caufield & Byers, VantagePoint Venture Partners and SCG Capital. For more information, please visit the company's website at <http://www.xcellerex.com>

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