



For Immediate Release

**Xcellerex Announces Groundbreaking for New
State-of-the-Art FlexFactory® Biomanufacturing Facility**

Facility to showcase rapid deployment of biomanufacturing platform and add capacity to meet growing demand

Marlborough, MA – June 9, 2010 - Xcellerex, Inc. announced today that it has begun construction of a state-of-the-art cGMP FlexFactory® biomanufacturing facility at its headquarters location in Marlborough, Massachusetts. Construction will be completed in September 2010. The facility, the second FlexFactory at the company's headquarters site, will expand Xcellerex's capacity to provide bridge biomanufacturing services for clients that are planning or building their own FlexFactory facilities. The plant will also support Xcellerex's contract manufacturing operations.

Xcellerex President and CEO Guy Broadbent commented, "This facility represents an important milestone for Xcellerex. First, it reflects the surge in interest we are seeing in the FlexFactory platform. The new plant will enable our biomanufacturing services group to support the increased demand for transitional biomanufacturing that we offer to help speed client deployments of their new FlexFactory installations. Second, this will provide a working showcase to demonstrate FlexFactory to the many customers who have expressed interest in evaluating the platform for their next capacity investment." Finally, he noted, "The timeline in which we will bring this cGMP facility online will dramatically underscore the leap in deployment speed that FlexFactory enables."

Xcellerex founder and Chief Technology Officer Parrish Galliher added, "This new FlexFactory facility in Marlborough will be a great case study, demonstrating the power of the FlexFactory capability. We will achieve new working capacity in less than six months, at a fraction of the cost required for a conventional facility. This will also give us a hands-on educational tool to help prospective customers achieve a deeper understanding of how a FlexFactory operates."

The new facility will feature 2,000 liter Xcellerex XDR single-use bioreactors and modular single-use downstream unit operations through bulk-product.

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About FlexFactory

Xcellerex's FlexFactory is an innovative, portable manufacturing 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 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 revolutionizing the way biomolecules are developed, manufactured and commercialized. The company's unique single-use component technology platform transforms biomanufacturing economics, enabling the development of biotherapeutics and vaccines, and dramatically improving the ability of Xcellerex and its partners to deploy manufacturing capacity. Xcellerex leverages its technology and services platform by: 1) commercializing its FlexFactories® (complete, turnkey, modular production trains) and XDR (unique, single-use component bioreactor systems); 2) building a portfolio of proprietary biotherapeutics and vaccines through creative alliances and in licensing; and 3) creatively structuring transactions around FlexFactories, XDRs and its pipeline. 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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