

**FOR IMMEDIATE RELEASE****First clinical trial results of Xcellerex inactivated vaccine against yellow fever published in *New England Journal of Medicine***

*XRX-001, produced in cell culture with Xcellerex's single-use technology, in development as potentially safer alternative to existing live virus vaccine*

**Marlborough, MA – April 7, 2011** – Xcellerex, Inc., a leader in rapid deployment, single-use biomanufacturing solutions, today announced positive results of a Phase I clinical trial of its investigational vaccine against yellow fever virus, XRX-001. In the study, the vaccine was well tolerated and induced neutralizing antibodies in 100 percent of subjects receiving a high dose and 88 percent receiving a low dose. The results are published in the April 7, 2011 edition of the *New England Journal of Medicine*.

XRX-001, based on inactivated yellow fever virus particles adsorbed to the adjuvant alum and produced through cell culture techniques, is being developed as a potentially safer alternative to the existing attenuated live virus, 17D vaccine. The 17D vaccine, developed in 1936, produces a robust immune response, but is associated with a rare, life-threatening infection resembling natural yellow fever. XRX-001 is designed to circumvent this risk because it is incapable of replicating. The vaccine could also potentially be used in individuals with precautions and contraindications to the live 17D vaccine, including various immune deficiency disorders, infants and people over 60 years of age. In addition, the absence of foreign proteins derived from hens' eggs used for the 17D vaccine's production has the potential to reduce the risk of allergic reactions, allowing egg-allergic people to be vaccinated.

Dr. Thomas Monath, a Director of Xcellerex, and lead author on the study, commented, "Yellow fever remains a significant and persistent public health problem. Management of the disease depends on preventive vaccination to protect travellers and others exposed to the virus. Our Phase 1 results are highly promising; the vaccine was well tolerated and all subjects who received a modest vaccine dose developed neutralizing antibodies, which are the mediator of protective immunity. If successful in later stages of clinical development, we believe XRX-001 will provide the first modern option for vaccination."

"The development of XRX-001 has provided important validation of our single-use bioreactor technology for vaccine production," said Guy Broadbent, Xcellerex's CEO. "Based on these promising initial clinical results, we plan to select a partner to advance XRX-001's development while we focus on our core business, the commercialization of our FlexFactory® biomanufacturing platform."

**Study Details**

The trial was a randomized, double-blind study in 60 healthy adult volunteers designed to test the safety, tolerability and immunogenicity of the XRX-001 vaccine. During the trial, the 60 volunteers received two injections 21 days apart with either (a) a high dose of XRX-001; (b) a low dose of XRX-001; or (c) a placebo. The vaccine induced neutralizing antibodies in 100 percent of subjects given two injections of the high dose and 88 percent of subjects given the low dose. In both cases, antibodies increased rapidly after the second injection. Within the limits of a Phase 1 study with small numbers of subjects, the vaccine was well tolerated. Mild pain and tenderness at the injection site were the only adverse events reported occurring at higher incidence in the active treatment groups than in placebo controls.

**About Yellow Fever**

Yellow fever is a severe and frequently deadly hemorrhagic fever caused by a virus spread by mosquitoes in South America and Africa. The incubation period (time from infection to illness) is usually 3-6 days. Approximately 15 percent of yellow fever infections cause severe damage to the liver, heart and kidney, bleeding and shock and approximately 50 percent of people with the more severe form of yellow fever die of the disease. There is no specific treatment for the disease, but contracting yellow fever is preventable through vaccination.

While the virus was eradicated in the US in early twentieth century, there is a continuing risk of spread to the United States, Europe and Asia, where the mosquitoes that transmit the virus are prevalent. People who live in yellow fever endemic regions require vaccination. Travellers to yellow fever endemic regions also require vaccination, and many countries require proof of vaccination in the form of a valid, signed and stamped certificate.

Worldwide, 20-50 million people annually receive the 17D vaccine. However, this vaccine is reported to cause rare serious adverse events, including inflammation of the brain which is usually not fatal and a disease closely resembling yellow fever itself, with deaths in 60 percent of the cases. These serious adverse events, which together are reported in 1 in 83,000 vaccinations, are caused by an overwhelming infection by the live vaccine virus or invasion of the central nervous system by the virus. Young children; persons >60 years; persons with inherited susceptibility (for which no test exists); as well as those with immune deficiencies and autoimmune diseases are at higher risk of these serious adverse events.

**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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