

FOR IMMEDIATE RELEASE

**BIOLEX THERAPEUTICS SUCCESSFULLY COMPLETES PHASE 1 STUDY FOR
FIRST LEX SYSTEM™ PRODUCED THERAPEUTIC PROTEIN**

PITTSBORO, NORTH CAROLINA, October 26, 2005 – Biolex Therapeutics, a protein therapeutics company, today announced the successful completion of a Phase 1 clinical trial of BLX-883, a form of alfa interferon. BLX-883 is the first clinical-stage therapeutic candidate produced in Biolex' GMP facilities using its proprietary LEX System™. In the Phase 1 study BLX-883 was safely administered at a clinically relevant dose and demonstrated bioactivity consistent with Intron® A, a currently marketed alfa interferon used as a comparator. Alfa interferon is used in the treatment of hepatitis C, hepatitis B, and multiple cancers and its worldwide sales currently exceed \$3 billion.

The Phase 1 study was designed to evaluate the safety and pharmacology of BLX-883 in 24 healthy volunteers. The study was conducted under an IND submitted to the United States FDA and a CTA filed with the United Kingdom MHRA. Participants were administered one of three doses of BLX-883. The 12 participants who received the clinically relevant dose of 3 million international units also received the same dose of Intron A to allow for a direct comparison of the two agents. No safety concerns arose during the study, and the side effects attributable to BLX-883 and Intron A were comparable. Bioactivity of the two agents was also compared, and the elevation of specific immune system markers, such as neopterin, measured after administration of BLX-883 was consistent to the elevation measured after administration of Intron A.

Biolex has selected hepatitis C as the first indication for the commercialization of its alfa interferon program. In February of 2005, Biolex formed a partnership with OctoPlus, a drug delivery and development company based in the Netherlands, for the joint development of a controlled-release formulation of alfa interferon. The product under joint development, Locteron™, combines BLX-883 with OctoPlus' proprietary biodegradable PolyActive™ drug delivery technology, and is designed to be a best-in-class therapeutic for patients with chronic hepatitis C.

“The results from the recently completed Phase 1 study of BLX-883 support continued development of this protein,” said Jan Turek, Chief Executive Officer of Biolex. “These results are consistent with our expectation that the LEX System has the capability to produce proteins comparable to those produced in traditional expression systems but with substantially lower capital and operating costs. The Phase 1 results make us even more optimistic about the potential of Locteron to offer patients with chronic hepatitis C a more convenient, controlled-release interferon that may be better tolerated than currently available pegylated interferon therapies.”

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About Biolex Therapeutics

Biolex Therapeutics applies its unique drug development capabilities and expertise to commercialize complex proteins and monoclonal antibodies that until now have been impossible or very expensive to develop through traditional means. Biolex' patented LEX System uses *Lemna* as a transgenic host in its GMP biopharmaceutical manufacturing facility to produce therapeutic proteins to support its own development programs as well as the programs of its strategic partners. The company is advancing a proprietary pipeline of product candidates, including its lead program Locteron under joint development with OctoPlus. Biolex has a multi-protein strategic alliance with Centocor and collaborations with other pharmaceutical/biotech companies such as Medarex. Biolex is a venture-capital backed company located in the Research Triangle region of North Carolina, United States. For additional information, please visit Biolex' web site at www.biolex.com.

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