



**BIOLEX, INC. AND BAYER CORPORATION SIGN
RESEARCH COLLABORATION AGREEMENT**

PITTSBORO, NC, OCTOBER 3, 2002 – Biolex, Inc. announces the signing of a research collaboration and development option agreement with Bayer Corporation to examine the feasibility of producing human plasminogen and an additional undisclosed human therapeutic protein using Biolex' patented Lemna System™. Biolex, a private, venture-backed company located in the Research Triangle region of North Carolina, is emerging as the premier, plant-based therapeutic protein company. Biolex possesses a transformational system for the development of human therapeutic proteins, a large and rapidly growing market.

According to David G. Spencer, Ph.D., Vice-President of R&D and COO of Biolex, Inc., "Our agreement with Bayer, a major research-driven pharmaceutical and health care products company, represents another important validation of the Biolex technology. The strategic combination of Bayer's innovative protein discovery approach and Biolex' advanced protein expression system will lead to an acceleration in the development of novel therapeutic proteins. This agreement lays the foundation for what could become a continued collaborative relationship."

Steve Petteway, Ph.D., Vice President of Preclinical Research & Pathogen Safety for Bayer's Biological Products business added, "Bayer has a novel drug discovery program, using human plasma to mine for valuable as-yet-unexploited protein therapeutics. The Lemna System™ has the potential to allow us to rapidly generate recombinant versions of our lead therapeutic proteins, while also giving the highest levels of pathogen safety. One target of our collaboration is plasminogen, currently in preclinical development. When activated to plasmin, it acts as a novel direct thrombolytic agent, having both efficacy and safety advantages over current plasminogen activators."

Under the collaboration, Biolex will be responsible for the expression of these two human therapeutic proteins in the Lemna System™, while Bayer will be responsible for the conduct of a program of pre-clinical studies. Biolex has granted Bayer an





exclusive option to negotiate a development agreement regarding the use of the Biolex technology to produce the two specified proteins for human therapeutic uses.

Biolex' proprietary technology, the Lemna System™, is based on a unique aquatic plant, *Lemna*. The Lemna System™ has a number of distinct competitive advantages in comparison to field crop or animal-based transgenic production systems.

Lemna's comparative advantages include:

- The plant is clonal, involving no pollen or seeds.
- Its growth rate is very fast, doubling its biomass every 36 hours.
- It has a high protein content, 30% of dry weight, resulting in high expression levels.
- The target protein is secreted into an easily purified media.
- Production is in a contained and controlled environment.
- Scale-up is quick and predictable.
- Low operating and capital costs.
- High conformance to FDA requirements.

In addition to its unique technology, Biolex has the added advantage of a solid, seasoned management team with extensive industry experience with therapeutic proteins.

Biolex, Inc. is a biotechnology company devoted to discovering, developing and commercializing its proprietary advanced protein expression technology for the development of human therapeutics. Biolex' strategy focuses on the development of Biolex proteins as well as those obtained from partner companies. The Company's headquarters and laboratory facility are based in Pittsboro, North Carolina. Visit the Company's web site at www.biolex.com.

CONTACT: John A. Irick, Senior Vice-President, Corporate and Business Development, Biolex, Inc. 919-542-9901 or Lisa A. Wilder, President, Wilder Communications, Inc., 919-349-3357.

###

