



**BIOLEX THERAPEUTICS NAMES KURT GRAVES EXECUTIVE CHAIRMAN
AS COMPANY PREPARES FOR PHASE 3 TRIALS AND
COMMERCIALIZATION OF LOCTERON® IN HEPATITIS C**

**Graves' Significant HCV Expertise Will Support Strategic Partnering and
Commercialization Efforts for Locteron, Biolex's Next-Generation Interferon**

**Locteron's Significant Tolerability and Dosing Advantages Position It to Become the Most
Combinable Interferon with Direct-Acting Anti-Virals that Together Can Raise and
Redefine a New Standard of Care in HCV**

PITTSBORO, NORTH CAROLINA, November 9, 2010 - The Board of Directors of Biolex Therapeutics, Inc. today announced the appointment of Kurt Graves as Executive Chairman of the Board. In this newly created position, Mr. Graves will provide strategic leadership to the Board and work closely with executive management as the Company advances its potential blockbuster Locteron®, a next-generation interferon for hepatitis C (HCV), into late-stage development and prepares for strategic partnering and selection of commercialization alternatives for the product. Locteron, the only controlled-release interferon alpha, is designed to offer key advantages compared to currently marketed interferons as a core component of combination therapies for the treatment of hepatitis C, including reduced flu-like symptoms, reduced rates of depression, and a less-frequent dosing regimen with half the number of injections.

"I am excited about this opportunity to lead Biolex's Board and work with the highly experienced management team as we continue to build substantial value in the Company," said Mr. Graves. "I have a high level of confidence in Locteron, the Company's next-generation interferon, and its ability to capitalize on the explosive growth expected in HCV over the next ten to fifteen years. Three things were clear from the clinical results recently presented at The American Association for the Study of Liver Disease (AASLD) meeting: interferon will continue to play a critical role in maximizing cure rates in HCV; better-tolerated next-generation interferons like Locteron are desperately needed to improve "regimen tolerability" and maximize market penetration; and, new combination regimens involving Locteron and direct acting antivirals have great potential to significantly raise and redefine a new standard of care for HCV."

"Our aim is to leverage and combine Locteron's next-generation tolerability and dosing advantages with the best direct-acting anti-virals to shape the next breakthroughs in combination therapy. We will target cure rates over 90%, further reducing treatment durations while also dramatically improving tolerability and dosing simplicity for patients," Mr. Graves added. "With limited competition in the interferon segment, Locteron is emerging as potentially the best and most combinable interferon in a market projected to exceed \$40 billion in cumulative



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interferon sales alone over the next 10 years as millions of patients seek to achieve a virological cure from this global epidemic.”

“Kurt is well known to Biolex and our Board, having been a close advisor for business development, clinical strategies and other strategic matters during the past six months, and he brings an important new dimension to our team,” said Jan Turek, President and Chief Executive Officer of Biolex. “His background is highly aligned with our strategic opportunities, and he has deep knowledge and expertise relevant to the hepatitis C market. I look forward to Kurt’s continued work with our team to help take Biolex to the next level.”

Mr. Graves most recently served as Executive Vice President, Chief Commercial Officer and Head, Strategic Development at Vertex Pharmaceuticals Incorporated (Nasdaq: VRTX). During his tenure, Vertex’s market cap increased from \$2 billion to nearly \$8 billion based on the advancement of several blockbuster potential drugs, including Telaprevir®, as well as the completion of several strategic transactions. Prior to joining Vertex, Mr. Graves held various senior leadership positions at Novartis Pharmaceuticals, including US General Manager and Head of Commercial Operations. He later served as Novartis’ global head of the General Medicines business and Chief Marketing Officer for the Pharmaceuticals Division during a period of record growth and multiple blockbuster launches. Prior to joining Novartis, Mr. Graves held various general management positions at Merck and Astra/Merck Pharmaceuticals, including US GI Business Unit Head, with responsibility for Prilosec®, Nexium® and the Prilosec OTC alliance with P&G.

In addition to his new post as Executive Chairman of Biolex Therapeutics, Mr. Graves serves as Executive Chairman of Intarcia Therapeutics, and as a Director at Pulmatrix Pharmaceuticals, Alevium Pharmaceuticals and Entra Therapeutics. Mr. Graves earned his B.S. in Biology from Hillsdale College.

Locteron Overview

Locteron, controlled-release interferon alpha 2b, is designed to offer key advantages compared to currently approved products, including reduced flu-like symptoms and rates of depression, and cutting in half the number of injections required. In contrast to Locteron, the currently approved products, Pegasys® and PEG-Intron, are immediate-release products that lack a controlled-release mechanism. The two-drug combination of interferon alpha and ribavirin serves as the current standard of care for the treatment of hepatitis C. The launch of the first direct-acting anti-viral (DAA) product, projected for 2011, will transform treatment of genotype-1 patients to a triple-drug therapy (interferon plus ribavirin plus DAA) and substantially raise cure rates. Other recent triple or quad drug combinations with interferon (including interferon plus ribavirin plus two DAA agents) have shown promise in early clinical testing, further solidifying the continued role of interferon in the treatment of hepatitis C. It is estimated that worldwide sales of interferon products for the treatment of hepatitis C will approach \$6 billion by 2016.

Locteron incorporates an advanced controlled-release drug delivery technology that allows dosing once every two weeks, more convenient than Pegasys and PEG-Intron, each of which



require dosing every week. More importantly, Locteron's controlled-release mechanism results in the gradual release of interferon alpha 2b to patients over the duration of two weeks and avoids the early peak plasma levels of the active interferon that characterize the pegylated interferons. This controlled-release mechanism is designed to reduce the frequency and severity of flu-like symptoms and depression commonly experienced by patients treated with pegylated interferons.

Locteron is an investigational therapeutic candidate and has not been approved for sale by the United States Food and Drug Administration or by any international regulatory agency.

About Biolex Therapeutics

Biolex is a biopharmaceutical company that uses its patented LEX SystemSM to develop follow-on biologics, hard-to-make therapeutic proteins and to optimize monoclonal antibodies. The LEX System is a novel technology that genetically transforms the aquatic plant *Lemna* to enable the production of biologic product candidates. The company's product candidates are designed to provide best-in-class efficacy/tolerability profiles while incorporating proven mechanisms of action. Biolex's lead product candidate, Locteron®, is in Phase 2b clinical testing for the treatment of chronic hepatitis C. Biolex has also developed two other product candidates that capitalize on the benefits of the LEX System. BLX-155 is a direct-acting thrombolytic designed to dissolve blood clots in patients. BLX-301 is a humanized anti-CD20 antibody glyco-optimized for the treatment of non-Hodgkin's B-cell lymphoma and other diseases.

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