



**BIOLEX RAISES OVER \$24 MILLION
IN VENTURE CAPITAL FINANCING**

PITTSBORO, NC, AUGUST 20, 2003 -- Biolex, Inc. announced today the successful completion of its most recent venture financing totaling \$24.4 million. The financing was led by Quaker BioVentures of Philadelphia, PA and Intersouth Partners of Durham, NC. The round also included new investors Johnson & Johnson Development Corporation, Mitsui & Co. Venture Partners, The Dow Chemical Company, Dogwood Equity, and Trelys Venture Partners. All existing investors participated, including The Wakefield Group, Kitty Hawk Capital, Franklin Street Partners, Tall Oaks Capital, and Academy Centennial Fund. The investment will be used to enhance Biolex's Lemna Expression (LEX) System™ for developing therapeutic proteins and to advance new protein drug candidates into development.

“We are very pleased with the caliber of our new investors, and also appreciative of the continued strong support we received from our existing investors,” states Jan Turek, CEO of Biolex. “With the proceeds of this financing, Biolex will continue to make advances in our already “best-in-class” expression levels for recombinant proteins, put in place GMP manufacturing facilities, and advance our lead drug into human clinical trials. Biolex will also focus on the successful transition of its collaborations into long-term development agreements. We currently have active collaborations underway with four biopharmaceutical companies, including Bayer, Centocor and Debiopharm.”

“We believe that Biolex is uniquely poised to transform protein drug development and production economics and capabilities across the industry,” said P. Sherrill Neff, Managing Partner of Quaker BioVentures. “Biolex technology is robust and efficient across a wide range of hard-to-make protein types, including large proteins, smaller peptides, and antibodies. We are very excited about this investment.”

The Biolex LEX System™ for the expression of human therapeutic proteins couples the ideal natural characteristics of the green aquatic plant, *Lemna*, with advanced genetic engineering and protein recovery methods. The LEX System™ uniquely combines the most desired qualities of mammalian cell culture, the current gold standard among existing expression systems (clonal replication, fast growth, high protein content, secretion of the target protein into the media, a contained and controlled environment), with the most sought after characteristics in next generation systems (speed of scale-up, significantly reduced capital requirement, low operating costs).

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“Intersouth has been impressed with the significant progress that Biolex has made since its inception. We are excited to be working with Biolex and its world class management team to accelerate the availability of innovative drugs to the market,” commented Mitch Mumma, General Partner of Intersouth Partners.

According to Jan Turek, “We are now well positioned to maximize the benefits of the LEX System™ for the expression of human therapeutic proteins. We have a strong patent position, an FDA-agreed production approach and have put in place a top-level management team with extensive industry experience in therapeutic proteins. We have established partnerships with four top-tier pharmaceutical and biotechnology companies to commercialize the LEX System™ and, in parallel, are sourcing and developing our own proprietary proteins. Our mission at Biolex is to become the premier plant-based therapeutic protein company.”

About Biolex: Biolex, Inc. is a biopharmaceutical 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. Biolex' corporate partners include Bayer Corporation, Centocor, Inc., Debiopharm S.A., and a major pharmaceutical company. The Company's headquarters and laboratory facility are based in Pittsboro, North Carolina. Visit the Company's web site at www.biolex.com.

About Quaker BioVentures: Quaker BioVentures is a dedicated life science venture capital firm, focused on companies in the Mid-Atlantic region, from New York to North Carolina. Quaker BioVentures leads investments in companies at all stages of development and across the life science industry. The firm is particularly interested in companies developing human therapeutics and platform technologies for the biopharmaceutical industry. In addition, Quaker BioVentures will consider companies developing medical devices, human diagnostics, healthcare information technologies, and healthcare services. For more information, call (215) 988-6800 or visit www.quakerbio.com.

About Intersouth Partners: Intersouth Partners, one of the nation's most experienced early stage venture capital firms, has raised more than \$500 million since 1985. As one of the largest early stage venture funds in the Southeast and Mid-Atlantic regions, it has invested in more than 70 companies, primarily in the life sciences and information technology industries. Intersouth funded some of the first venture-backed companies in North Carolina to go public and has been instrumental in funding start-ups in this region for nearly two decades. Intersouth is based in Durham, NC. For more information on Intersouth Partners, visit <http://www.intersouth.com>.

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