FOR IMMEDIATE RELEASE

BIOLEX THERAPEUTICS ANNOUNCES POSITIVE PHASE 1 RESULTS FOR HEPATITIS C PRODUCT CANDIDATE LOCTERON™

- Results Support Dosing Every Two Weeks with Potential for Improved Side Effect Profile Over Current Therapies -

PITTSBORO, NORTH CAROLINA, APRIL 27, 2006 – Biolex Therapeutics today announced successful results from the Phase 1 clinical trial of Locteron, a product the company is co-developing with OctoPlus (Leiden, the Netherlands). Locteron combines BLX-883, a recombinant alfa interferon produced by Biolex in its patented LEX System℠, with PolyActive™, an advanced controlled-release drug delivery technology developed by OctoPlus. The Phase 1 trial demonstrated the safety and tolerability of Locteron given as a single dose to healthy volunteers, and the pharmacokinetic and pharmacodynamic results support dosing every two weeks, a substantial improvement over currently marketed pegylated interferons that require dosing every week. Based on these results, Biolex expects Locteron to enter Phase 2 clinical testing in the second half of 2006.

Data from the Phase 1 study were presented by researchers at the 41st Annual Meeting of the European Association for the Study of Liver Disease (EASL) meeting in Vienna, Austria. The Phase 1 study was conducted in the Netherlands and was designed to evaluate the safety and pharmacology of Locteron in 27 healthy volunteers. The randomized, double-blinded, placebo-controlled study evaluated single administrations of three escalating doses of Locteron in comparison to PEG-INTRON® (a currently marketed pegylated interferon).

In addition to supporting dosing every two weeks, the pharmacokinetic results indicated that the administration of Locteron resulted in the linear release of interferon without a "burst effect." This undesirable burst effect is typically observed with currently marketed pegylated and non-pegylated interferons, and is potentially associated with side effects such as flu-like symptoms. Flu-like symptoms among the groups receiving Locteron in the study were reported to be less frequent, less severe and of shorter duration than in the subjects receiving PEG-INTRON. Also measured in the study were biomarkers such as 2', 5' oligoadenylate synthetase (OAS) and neopterin, enzymes commonly associated with the biological effects of interferon. Researchers reported that the administration of Locteron resulted in sustained biomarker levels equal or greater than those measured in the PEG-INTRON arm of the study. Furthermore, Locteron was demonstrated to be biologically active over two weeks, supporting the once-every-two week dose regimen proposed for this product candidate.

- more -

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"Independent market research predicts that modified interferons will continue to be a key component of therapy for hepatitis C patients, with interferon sales expected to exceed $5 billion in 2014. Based on this study's positive results validating Locteron's best in class potential, patients may benefit from its improved convenience and enhanced side effect profile," said Jan Turek, President and CEO of Biolex. "Alfa interferon has been used to treat hepatitis C patients for more than a decade; therefore we expect a straightforward clinical development pathway and plan to rapidly advance Locteron's development."

About Locteron

Locteron™ combines BLX-883, a recombinant alfa interferon produced by Biolex in its patented LEX System℠ with PolyActive™, an advanced controlled-release drug delivery technology developed by OctoPlus. In contrast to the currently available interferon products, Locteron has demonstrated linear release characteristics in preclinical and clinical studies after injection without the early high peak plasma levels (burst effect) that have the potential to increase side effects and without the low trough plasma levels that may impair efficacy. Locteron is intended to be administered only once every two weeks as compared to the once-a-week administration of the currently licensed pegylated interferon products. 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 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™ for the treatment of hepatitis C under joint development with OctoPlus. Biolex has a multi-protein strategic alliance with Centocor and collaborations with other pharmaceutical/biotech companies including 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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