

Peptimmune Completes Phase Ib Study of PI-2301 in Multiple Sclerosis Patients, and Presentation at ECTRIMS 2009

CAMBRIDGE, Mass. – August 25 2009. Peptimmune, Inc. a privately held biotechnology company, announced the completion of a clinical trial to evaluate the safety, tolerability, pharmacokinetics, and pharmacodynamics of PI-2301 in subjects with Secondary Progressive Multiple Sclerosis (SP-MS). PI-2301 is a novel peptide copolymer for the treatment of multiple sclerosis and other autoimmune diseases.

The Phase Ib multiple-ascending dose, double-blind, placebo-controlled, randomized study enrolled 50 subjects with SP-MS. A total of 36 subjects received PI-2301 once weekly for 8 weeks followed by an open label extension of an additional 4 weeks. The doses ranged from 1 to 60 mg. Safety at all doses, including potentially therapeutic doses, was established. The most frequent adverse events (AEs) were dose-dependent site reactions which were mild to moderate, transient, and resolved without specific therapy. Dose-dependent increases in serum levels of anti-inflammatory markers were consistent with PI-2301 exposure as measured using the Company's proprietary pharmacokinetic assay. The Company plans to continue developing this promising compound by initiating a Phase II study in multiple sclerosis patients later this year.

"PI-2301 has now shown safety and pharmacologic activity in two clinical studies, the first in healthy volunteers, and this second in patients with multiple sclerosis. As we look forward to the Phase II, we are excited about the observed pharmacologic effects of PI-2301 in patients suffering from secondary progressive MS," stated Thomas P. Mathers, President and CEO of Peptimmune.

Data from this Phase Ib study will be presented at the Congress of the European Committee for Treatment and Research in Multiple Sclerosis (ECTRIMS). Dr. Eric Zanelli will make a poster presentation titled "Clinical and biological results of a 12-week, double-blind, multiple ascending dose study evaluating the safety and tolerability of peptide copolymer PI-2301 in patients with the secondary progressive form of multiple sclerosis." The poster (P-422) will be presented within Topic 15 - Immunomodulation - 1 during the Poster Session I taking place on Thursday, September 10, 2009, between 2:30 and 5:00 p.m.

About PI-2301

PI-2301 is a second-generation peptide copolymer from a similar compound class as Copaxone® (Teva Pharmaceuticals). PI-2301 works through immune modulation by enhancing the regulatory response of the immune system and thereby controlling the pathogenic autoimmune response observed in autoimmune diseases such as multiple sclerosis. PI-2301 has been optimized using Peptimmune's novel platform peptide chemistry and, in preclinical studies, has shown to be more potent and effective than Copaxone in treating disease models for multiple sclerosis and other autoimmune diseases where immune modulation may be effective, such as Crohn's disease, rheumatoid arthritis, and autoimmune uveitis. Peptimmune has high-quality synthesis

and analytical methods that provide a superior level of batch-to-batch reproducibility in the manufacturing of PI-2301.

In January 2009 Peptimmune granted Novartis (NYSE: NVS) an exclusive option to obtain exclusive worldwide rights to develop and commercialize PI-2301.

About Multiple Sclerosis

Over 400,000 Americans have multiple sclerosis (MS), and MS may affect over 2.5 million individuals worldwide. MS is an autoimmune disease in which the individuals' immune system attacks components of nerves. The effects of these immune-mediated attacks often progress to a chronic disabling disease, as communication between the brain and other parts of the body is disrupted.

About Peptimmune (www.peptimmune.com)

Peptimmune, Inc. is a privately held biotechnology company clinically focused on the development of peptide therapies to improve the management of chronic autoimmune and inflammatory disorders. Founded in 2002 and located in Cambridge, MA USA, the Company is led by an experienced management team and exploits its proprietary **DEEP™** Technology to design peptide copolymers for the diagnosis and treatment of infectious diseases, autoimmune disorders, and the generation of novel antibodies. Current investors include New Enterprise Associates, MPM Capital, Hunt Ventures, Boston Medical Investors, Silicon Valley Bank Capital, and Genzyme Corporation.

For information please contact Tom Mathers at (617) 715-8000 or tom.mathers@peptimmune.com