

The image shows the Vaxin Inc. logo in white text on a dark red background. To the right of the logo, there are three small images: a 3D molecular model of a protein structure, a petri dish with a bacterial culture, and a 3D molecular model of a DNA double helix.

Vaxin Inc.

Contact:
Bill Enright
President & CEO
Phone: 205-909-3751
Email: enright@vaxin.com

FOR IMMEDIATE RELEASE

VAXIN AWARDED BARDA CONTRACT VALUED AT UP TO \$21.7M TO DEVELOP NEXT GENERATION ANTHRAX VACCINE

Rockville, Maryland – September 16, 2011 – Vaxin Inc., a clinical stage vaccine development company today announced that it has been awarded a contract valued at up to \$21.7 million by the Office of Biomedical Advanced Research and Development Authority (BARDA) within the Office of the Assistant Secretary for Preparedness and Response at the U.S. Department of Health and Human Services (HHS) for pre-clinical assessment, final manufacturing process development and the supply of clinical materials to support an IND filing and first-in-man dose ranging study of the company’s proprietary anthrax vaccine, AdVAV. This award supports BARDA’s mission to advance improved medical countermeasures for some of the highest priority threats, including anthrax.

“We are honored to work with BARDA to accelerate the development of our novel AdVAV vaccine candidate and to help the U.S. government in its commitment to actively address public health threats,” said Bill Enright, President and Chief Executive Officer of Vaxin Inc. “This is a unique opportunity for Vaxin to apply our vaccine development experience to a critical need and we thank the team at BARDA for this contract to advance this potentially important new technology.”

In proof of principle studies, Vaxin has demonstrated several key characteristics, important for consideration of the AdVAV vaccine candidate as a medical countermeasure: 1) protection with a single dose in multiple animal species; 2) excellent safety profile in animals 3) easy, patient-friendly, needle-free administration; 4) rapid onset of and long-lasting immunity; 5) stability for more than two years at both refrigerated and frozen temperatures; 6) rapid and cost effective manufacturing using an established, cell-culture process. These “proof of principle” studies were supported by grants UC1AI067198 and 1R43AI47558 from the National Institute of Allergy and Infectious Diseases.

About Vaxin:

Vaxin Inc. is a clinical stage biotechnology company, founded in December 1997 with facilities in Rockville, MD and Birmingham, AL, developing next generation vaccines to address significant public health and biodefense needs. Vaxin is focused on vaccines designed to protect people against influenza and anthrax infection using proprietary, patented technologies

for intranasal delivery, and is also developing unique *in ovo* vaccines for preventing influenza outbreaks in poultry populations. Vaxin's vaccines are designed to provide a safe, effective, easily administered, rapidly manufactured, and cost-competitive alternative to currently marketed products. Vaxin's intranasally delivered, adenovirus-based vaccines have successfully completed pre-clinical development, Investigational New Drug (IND) review and Phase 1 clinical studies for seasonal and pre-pandemic influenza indications, demonstrating both proof-of-concept in man and providing an initial safety assessment of the technology platform. The intranasal seasonal influenza vaccine induced a positive immune response (seroconversion) in 83% of patients, while the pre-pandemic influenza vaccine also shows promising signs of immunogenicity in a dose dependent manner. Phase 1 study reports indicate that both were safe and well tolerated. The proposed vectored anthrax vaccine product is identical in route of administration, structure and manufacturing to these influenza candidates with the exception of the encoded antigen (*Bacillus anthracis* PA rather than *influenza virus* HA). It is expected that a nasal anthrax vaccine would greatly boost vaccine coverage against a bioterrorist attack during a crisis, and significantly reduce adverse side effects when compared to those induced by systemically-delivered anthrax vaccines.

Forward-looking statements:

This press release contains forward-looking statements subject to risks and uncertainties that could cause actual results to differ materially from those projected. These forward-looking statements represent the company's judgment as of the date of this release. The company disclaims, however, any intent or obligation to update these forward-looking statements.

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