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NEWS

FOR IMMEDIATE RELEASE

**TOPIGEN INTRODUCES FANA™ TECHNOLOGY,
NEW 3rd GENERATION CHEMISTRY FOR
OLIGONUCLEOTIDE-BASED THERAPEUTICS**

Phoenix IP Ventures named as exclusive commercial representative for FANA™

Montreal, Canada and Randolph, New Jersey, June 8, 2005 -- TOPIGEN Pharmaceuticals Inc., a developer of multi-targeted respiratory products that inhibit pathways involved in cellular recruitment and inflammation, today introduced FANA™ Technology, a new generation of chemistry with potential for broad gene-targeting drug applications.

"FANA (Fluoro Arabino Nucleic Acid) is unique among oligonucleotide chemistries. The platform uses an important modification in the sugar unit of the oligonucleotide chain that renders the FANA structure (arabinose sugar) much more stable than the normal ribose structure (RNA)," said Dr. Masad J. Damha, inventor of FANA and a James McGill Professor of Chemistry at McGill University. "This new chemistry platform significantly improves the functionality of oligonucleotides for gene targeting and silencing and offers an alternative to the traditional antisense and RNAi approaches," Dr. Damha added.

In a series of studies comparing available gene modulating chemistries, FANA showed an improvement in target affinity and duration of gene response while improving efficacy and safety. FANA significantly enhances nuclease resistance, providing lower dosage requirements and the potential for improved systemic administration.

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"FANA represents a potentially important advance for nucleic acid-based therapeutics," said Alan M. Gewirtz, MD, Professor of Medicine at University of Pennsylvania, Division of Hematology/Oncology. This new chemistry has the potential to effectively address some previously identified shortcomings of older antisense-based drugs. The ability to achieve a specific, long-lasting knockdown of a targeted gene will represent a true advance in the field and hopefully stimulate renewed interest in the area of therapeutic oligonucleotides," Dr. Gewirtz added.

The unique characteristics of FANA could be advantageous for a wide variety of therapeutic gene modifying applications, including topical and systemic administration. TOPIGEN is currently developing a novel, multi-targeted drug product for COPD utilizing FANA technology. Delivered via aerosol, the product (PD-3) is designed to inhibit gene expression pathways linked to the progressive airway remodeling associated with the disease. The drug candidate is scheduled to enter clinical trials in 2007.

TOPIGEN has engaged Phoenix IP Ventures to be its exclusive representative in seeking development collaborations and licensing agreements for the technology outside of its core respiratory fields of interest.

About TOPIGEN

Privately-held, TOPIGEN is a biopharmaceutical company developing several new classes of drugs for respiratory disorders based upon its proprietary platform technology using novel, DNA/RNA chemistry. These drugs are uniquely focused on inhibiting multiple inflammatory pathways at the cellular site of inflammation using a single drug product. By topically targeting multiple affected airway receptors with its drugs, the Company expects to improve outcomes for many patients with respiratory diseases. This pioneering approach has shown promising preclinical results in inhibiting the underlying inflammation associated with many pulmonary conditions such as asthma, COPD and allergic rhinitis (AR).

TOPIGEN's lead product for asthma, ASM8, is an inhaled, modified oligonucleotide currently undergoing human Phase 1 clinical studies. The Company believes that ASM8 has the potential to replace steroids in the treatment of asthma and may provide patients with a convenient once-a-day topical dosing regimen and an improved side-effect profile over other medications currently available.

For more detailed information on TOPIGEN visit www.topigen.com.

About Phoenix IP Ventures

Phoenix IP Ventures is an intellectual property based venture capital group, working in partnership with life sciences companies to maximize the potential value of their intellectual property based assets. Phoenix primarily works on partner assets that are not being progressed for commercial, or other strategic reasons. Phoenix typically invests these assets into small to mid-sized companies where they will be considered core and will receive the management focus and resources required to progress them. For certain early stage organizations, where the management team and technology look extremely promising, Phoenix may agree to act as the organization's commercialization arm.

For licensing information on FANA™ Technology, please contact: Lisa Gray, Managing Partner, Phoenix IP Ventures, (267) 765-3233, or at lisa@phoenixipv.com.

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Editor's Note: Dr. Paul Wotton, President and Chief Executive Officer of TOPIGEN Pharmaceuticals will be presenting at the BIO 2005 Business Forum in Philadelphia, PA. The presentation will take place Monday, June 20, 2005 at 2:30 PM in Room B at the Pennsylvania Convention Center (1101 Arch Street). One-on-one meetings are available for attending media.

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