



351 Phoenixville Pike, Malvern, PA
Phone: (610) 296-8660 □ Fax: (610) 296-8661
www.neotropix.com

FOR IMMEDIATE RELEASE

Neotropix Receives FDA Approval to Begin Clinical Trials With First Investigational Cancer Drug

Potential Therapy Specifically Targets Cancer Cells, Offers Possible Treatment for Advanced Cancers

Malvern, Pa., May 17, 2006 – Neotropix™, Inc., a biotechnology company developing oncolytic viruses for the treatment of cancer, announced today that the FDA has approved its Investigational New Drug (IND) application for its first cancer drug candidate, Seneca Valley Virus (SVV-001).

The dose-escalating Phase I study will determine if SVV-001 can be systemically administered safely to patients with certain types of advanced neuroendocrine cancers, including small cell lung cancer. The study will also examine the distribution of the virus in the body, the elimination of it from the body, the immune response to the virus, and whether it affects the patients' tumors. At the end of the trial, Neotropix intends to select an optimal dose for further clinical studies.

SVV-001 has several features which allow it to overcome many of the hurdles classically associated with cancer-killing viral therapies: it can be systemically delivered, shows extremely high specificity towards cancer cells, has a therapeutic index of over 1 million, and is easy to manufacture.

“Our first product may provide a breakthrough therapy for patients with some of the most serious types of cancer known, such as small cell lung cancer, for which there are few promising therapies under development,” said Dr. Paul Hallenbeck, President, Chief Scientific Officer and founder of Neotropix. “Seneca Valley Virus has the potential to be safer and more effective than treatments currently available or even on the horizon, and may help treat some of the most commonly diagnosed cancers among American men and women.”

SVV-001 is a naturally occurring virus that specifically kills cancer cells with features similar to those found in many small cell lung cancers. It is the first virus identified for its ability to kill certain types of cancer cells; other viruses have been isolated based on their effects in humans, or their ability to cause disease and only then retro-fitted to kill cancer cells.

Advantages of SVV-001 compared to other oncolytic viruses or chemotherapeutics:

- Targets and recognizes certain tumor cells with no impact on normal cells.
- Not inhibited by any component of human blood and pre-existing antibodies are not found in humans.
- Demonstrates cancer-killing specificity 10,000 times higher than that of traditional chemotherapeutics.
- No overt toxicity at doses one million times higher than effective doses in mice.

- Small in size, which enables better penetration and spread in solid tumors, thereby eradicating tumors more efficiently.

“Neotropix is dedicated to discovering virotherapies that hold great promise for treating cancer. The company’s expertise will enable us rapidly develop SVV-001 toward registration and approval. In the coming years, we plan to develop several additional viruses and bring them into clinical trials,” said John Neefe, MD, Senior Vice President of Clinical Development for Neotropix.

Cancer is the second leading cause of death in the United States. The American Cancer Society predicts that, in this country alone, nearly 600,000 people will die from cancer in 2006. Harnessing the natural properties of oncolytic viruses to fight cancer is known as “virotherapy,” a treatment that holds great promise for treating cancer because oncolytic viruses selectively infect and replicate in cancer cells, destroying tumors but leaving normal cells largely unaffected.

About Neotropix

Based in Malvern, Pa., Neotropix™, Inc. is a biotechnology company dedicated to the development of oncolytic viruses for the treatment of cancers with significant unmet clinical need. The company discovers native and engineered viruses with tumor-selective properties, and utilizes them to develop technology, discover new cancer targets, and develop treatments for aggressive cancers. The company is conducting research on Seneca Valley Virus, a novel systemically-deliverable oncolytic virus for the treatment of small cell lung cancer and other neuroendocrine cancers. For more information, visit www.neotropix.com.

=====

For more information, please contact:

Janice Ingram
Neotropix, Inc.
(610) 296-8660
JIngram@neotropix.com

Megan Page
Press Contact
(617) 523-4141
megan@morrisseyco.com

###