ALLOZYNE FORTIFIES ITS PROPRIETARY POSITION WITH A LICENSE FOR CLICK CHEMISTRY, A BIOCONJUGATION ENABLING CYCLOADDITION TECHNOLOGY FROM THE SCRIPPS RESEARCH INSTITUTE

SEATTLE, Washington | July 15, 2010 – ALLOZYNE Inc. announced today the signing of a worldwide licensing agreement with The Scripps Research Institute. The agreement gives ALLOZYNE rights to a unique and powerful chemical reaction, developed by Nobel Laureate K. Barry Sharpless of Scripps Research, known as "Click chemistry". The novelty of this reaction comes from its ability to introduce two different molecular components and have them "click" together stably and irreversibly. Essentially, this reaction provides an easy, durable, reliable and cost effective way of linking two distinct molecules together. ALLOZYNE's proprietary biociphering platforms, CAESAR and VIGENÈRE, enable the site-specific incorporation of these "Click" components into virtually any protein and thereby provide a unique site at which any number of payloads can be securely attached. Considering the variety of moieties, which includes polymers, small molecules, antibodies, toxins, additional proteins and peptides, that the ALLOZYNE proprietary platform and Click chemistry are amenable to, this collaboration opens the door for building therapeutics not previously possible.

"Click is just like fastening the two distinct sides on the latch of a seatbelt," stated Meenu Chhabra, President and CEO of ALLOZYNE. "Once the two are connected, you can be assured that they will not come undone. Thus, the capability to incorporate click chemistry into our biociphering platforms and create novel protein therapeutics is a powerful component of our armamentarium because it allows us to modify and improve virtually any protein therapeutic out there."

The agreement with Scripps Research provides ALLOZYNE with a license to apply Click chemistry for exclusive development in key therapeutic fields in addition to a non-exclusive license for diagnostic applications. The financial terms of the agreement were not disclosed.

About ALLOZYNE

Headquartered in Seattle, ALLOZYNE was established, in late 2005, to commercialize proprietary biociphering technology that it licensed, on an exclusive basis, from the California Institute of Technology. The biociphering platforms, CAESAR and VIGENÈRE, are able to site specifically modify any protein sequence through the substitution or addition of non-canonical amino acids, in E. coli, yeast or mammalian systems. These amino acids possess unique chemical functions and create the opportunity to site specifically modify proteins through various conjugations that will lead to an enhanced efficacy, safety and tolerability profile. In essence, these unique amino acids unlock an advanced class of chemical reactions that are superior to conventional methods available for protein modification.

ALLOZYNE has raised $36M and is supported by a top tier venture investor syndicate including MPM, Arch, OVP and Amgen Ventures. The funding has been used to rapidly progress the platforms to practice and build a significant clinical stage pipeline with distinct product opportunities that reflect the breadth of the platform and maintain the company's focus on CNS and autoimmune diseases. ALLOZYNE's lead program, AZ01, is a PEGylated interferon β for the treatment of multiple sclerosis (MS). Currently in Phase I trials, AZ01 offers potential advantages over existing therapies through enhanced dosing convenience and superior tolerability to existing agents. MS is a chronic disease characterized by

demyelination of nerve fibers, which leads to severe nerve damage. Symptoms include fatigue as well as cognitive and visual impairment. In 2009, worldwide revenue for drugs to treat MS approached $9 billion USD with over 70% of sales coming from the interferon β class of products.

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About The Scripps Research Institute

The Scripps Research Institute is one of the world's largest independent, non-profit biomedical research organizations, at the forefront of basic biomedical science that seeks to comprehend the most fundamental processes of life. Scripps Research is internationally recognized for its discoveries in immunology, molecular and cellular biology, chemistry, neurosciences, autoimmune, cardiovascular, and infectious diseases, and synthetic vaccine development. Established in its current configuration in 1961, it employs approximately 3,000 scientists, postdoctoral fellows, scientific and other technicians, doctoral degree graduate students, and administrative and technical support personnel. Scripps Research is headquartered in La Jolla, California. It also includes Scripps Florida, whose researchers focus on basic biomedical science, drug discovery, and technology development. Scripps Florida is located in Jupiter, Florida.

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