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Contact:

Aegera Therapeutics Inc.
514-288-5532, x225
Catherine So
Manager, Business Development
Email: catherine.so@aegea.com

**AEGERA RECEIVES APPROVAL FROM HEALTH CANADA TO INITIATE A PHASE I
CLINICAL TRIAL FOR AEG33783 – A DRUG DESIGNED TO TREAT PERIPHERAL
NEUROPATHIES**

MONTREAL. January 9, 2006 - Aegera Therapeutics Inc. is pleased to announce that Health Canada has approved the Company's Clinical Trial Application for their proprietary small molecule JNK pathway inhibitor, AEG33783. This experimental drug targets the unmet medical needs of chemotherapy-induced and diabetic neuropathy and is Aegera's second clinical program targeting apoptotic mechanisms. AEG33783's first clinical trial is expected to begin in the Q1 of 2006.

Aegera's AEG33783 represents a first-in-class drug, designed to treat the underlying causes of neuropathy by blocking a central process (apoptosis) in nerves, responsible for cellular damage and thereby preventing nerve death. Neuropathic pain frequently arises when this apoptotic pathway is initiated by chronic crush nerve damage, and by certain highly potent anti-cancer agents as well as by high glucose levels in diabetes.

"The primary objective of this first-in-man Phase 1 study is to evaluate the safety and tolerability of AEG33783 in order to select doses for Phase 2 studies in several nerve disease settings," commented Dr. Jacques Jolivet, Aegera's VP Clinical. "Current drugs attempt to reduce the pain associated with peripheral neuropathies, but there are very few approaches, like ours, which seek to address the cause of the disease and to ultimately restore the lost peripheral function to the patient."

About AEG33783

AEG33783 represents a novel therapeutic strategy for the treatment of neuropathies, including Chemotherapeutic-induced neuropathies (CTIN) and diabetic neuropathy. AEG33783 was developed as a broad-based neuroprotectant that functions as a JNK signaling pathway inhibitor, mediated via its induction of Heat Shock Protein-70 (HSP70).

HSP70 can directly bind to and inhibit Jun kinase (JNK). Activation of JNK has emerged as a central event that regulates apoptosis in injured neurons. Nerve growth factor (NGF), receptor dysfunction resulting from injury, treatment with cisplatin, paclitaxel, or other cytotoxic agents, or high glucose in diabetic states, are among the neurotoxic stimuli which induce activation of JNK and c-Jun, resulting in increased nociception, and ultimately in the release of mitochondrial factors which initiate a caspases-mediated apoptotic cascade. There are several proteins that directly block JNK signaling that have been identified; the best characterized of these is HSP70.

AEG33783's unique mechanism of action has demonstrated great promise as it functions as a targeted, disease-modifying therapy with the ability to not only prevent, but also to reverse established neuropathies. This highly differentiated product profile compares favourably to competitive compounds that solely offer symptomatic relief.

About Chemotherapy Induced Neuropathy

Peripheral neuropathies are a frequent and serious consequence of chemotherapy. CTIN are manifested as paresthesias, pain and/or weakness, which can significantly interfere with function and compromise the quality of life for cancer patients. Symptoms include sensory, sensory-motor or, less frequently, autonomic dysfunction. In many cases, these drug-related neuropathies are dose-limiting, which means they can limit the intensity or frequency of chemotherapeutic cycles, potentially reducing treatment efficacy. CTIN represents approximately 30% of all reported cancer-related pain, with 425,000 cases reported in 2003 (Cancer Pain, Decision Resources. Nov 2004). Current treatments focus on the symptomatic management of pain, and medication falls into several different drug classes, including topical analgesic agents, tricyclic antidepressants, anticonvulsants and opioid analgesics.

About Aegera

Aegera Therapeutics Inc. ("Aegera") is a clinical stage biotechnology company uniquely focused on developing drugs to control apoptosis. The Company's technology is being applied to induce apoptosis to kill cancer cells and to prevent apoptosis to save injured neuronal cells. Aegera's lead product, AEG35156, targets the anti-apoptotic protein XIAP, and is currently in multiple human clinical trials in solid tumors and leukemia. Aegera's second product, AEG33783, is a broad-based neuroprotective agent with proven efficacy in reversing peripheral neuropathies in animal models arising from chemotherapy and diabetes.

For more information, please visit Aegera's website at www.aegera.com.