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**NEW PUBLICATIONS ON XIAP AND ISLET CELL TRANSPLANTATION –
XIAP A KEY PLAYER IN THE TREATMENT OF TYPE I DIABETES**

MONTREAL. September 19, 2005 - Aegera Therapeutics Inc. is pleased to announce the publication of two scientific papers on the role of X-Linked Inhibitor of Apoptosis Protein (XIAP) gene therapy for the treatment of diabetes. Co-authored by Dr. Robert Korneluk, Professor at the University of Ottawa and co-founder of Aegera Therapeutics, both publications appear in the September 2005 issue of the journal *Diabetes*. These publications provide evidence that clinical applications of XIAP gene therapy on islet cells prior to transplantation may greatly enhance the availability and long-term outcome of islet transplantation for the treatment of type I diabetes.

Discovered by Dr. Korneluk, the XIAP gene has been demonstrated to play a key role in the protection of multiple cell types from apoptosis induced cell death. Aegera is currently moving a second generation antisense XIAP therapeutic through multiple phase 1 clinical trials for the treatment of cancer.

The first paper, co-authored with Dr. Bruce Verchere, Associate Professor at the University of British Columbia, is entitled, "The X-Linked Inhibitor of Apoptosis Protein Enhances Survival of Murine Islet Allografts". This paper elegantly demonstrates that XIAP over-expression in islet cells confers protection of these cells from allograft rejection, and provides the islets with enhanced long-term post-transplantation survival in a mouse model of diabetes.

The second paper, entitled "XIAP Over-expression in Human Islets Prevents Early Post-transplant Apoptosis and Reduces the Islet Mass Needed to Treat Diabetes" is co-authored by Dr. John F. Elliott, Professor at the University of Alberta. In this publication, Dr. Elliott and his team show that over-expression of XIAP prevents early post-transplant apoptosis of human islet cells induced by physiological stresses such as hypoxia, and a model of reperfusion injury. Moreover, Dr. Elliott demonstrates that XIAP over-expression dramatically reduces the number of human islets required to reverse hyperglycemia in a mouse model of type I diabetes.

"This is an important advancement for the treatment of type I diabetic patients." Commented Dr. Korneluk, "Moreover, this further demonstrates the pivotal role and importance of the XIAP protein as a regulator of apoptosis, and as a key therapeutic target."

About Aegera

Aegera Therapeutics Inc. ("Aegera") is a clinical stage biotechnology company uniquely focused on developing cancer drugs by controlling apoptosis: inducing apoptosis to kill cancer cells and preventing apoptosis to save neuronal cells injured by chemotherapy. Our lead product, AEG35156, is currently in two separate Phase 1b human clinical trials as a mono-therapy and as combination therapy, in solid tumors and leukemia. Our second product, AEG33783, designed to protect nerve cells from multiple chemotherapy insults, is in late preclinical development. For more information, please visit Aegera's website at www.aegera.com.