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AEGERA INITIATES PHASE 1 ONCOLOGY CLINICAL TRIAL OF XIAP ANTISENSE DESIGNED TO STIMULATE APOPTOTIC CELL DEATH IN CANCER CELLS

MONTREAL. March 29, 2004 - Aegera Therapeutics Inc. is pleased to announce the initiation of Phase 1 clinical trials for AEG35156/GEM[®]640, an antisense inhibitor of X-linked Inhibitor of Apoptosis Protein (XIAP), in collaboration with Cancer Research UK. AEG35156 is a 2nd generation antisense oligonucleotide, which is designed to reduce high levels of XIAP protein in cancer cells and thereby enable apoptotic cell death. The first patient was enrolled at the Christie Hospital in Manchester by Principal Investigator, Dr. Malcolm Ranson, MBChB, PhD, Director of the Derek Crowther Trials Unit. The trial is also being conducted at a second site, Cancer Research UK Oncology Unit within the University of Edinburgh Cancer Research Centre, under the supervision of Dr. Duncan Jodrell, DM.

"We are excited to work with Aegera and Cancer Research UK to take AEG35156 into its initial clinical trial," stated Dr. Ranson, "It has a unique mechanism of action and the preclinical data that Aegera have produced clearly demonstrate that AEG35156 has significant clinical promise. This initial trial in patients with advanced solid tumours, is designed to evaluate safety and patients' well-being."

"We believe XIAP to be a validated molecular cancer target, with XIAP knock-down by AEG35156 showing significant efficacy in preclinical models of multiple cancer types," commented Dr. John Gillard, Chief Scientific Officer at Aegera Therapeutics. "XIAP controls the two distinct, biologically targeted pathways of apoptosis and inhibiting this dual mechanism with AEG35156 represents a breakthrough approach to combating resistant cancers."

"This is a major milestone in a biotech company's life," said Michael Atkin, President and CEO of Aegera. "Aegera has now leaped out of the discovery gates and is forging into the clinic with the help of world leading organizations such as Cancer Research UK. This drug candidate was developed in collaboration with Hybridon, Inc., and incorporates Hybridon's 2nd generation antisense chemistry. This productive collaboration with Hybridon has allowed us to begin clinical trials just 18 months after signing the license agreement."

About Aegera

Aegera Therapeutics Inc. is a private North American biotechnology company focused on exploiting apoptosis control to extend and enhance the lives of cancer patients: killing cancer cells by inducing apoptosis and rescuing neurons from apoptotic cell death. Aegera's lead oncology program is a XIAP antisense therapeutic, AEG35156/GEM[®]640 developed in collaboration with Hybridon, Inc. (AMEX:HBY). Aegera's second oncology program, is being developed to alleviate the disabling chemotherapy side-effect of peripheral neuropathy, a candidate from the AEG3482 Series is scheduled to enter clinical trials in 2005. For more information, please visit Aegera's website at www.aegera.com.