

Aegera Therapeutics Acquires Clinical Stage Oncology Company and Closes Concurrent Financing

MONTREAL, Quebec, August 8, 2007 — Aegera Therapeutics today announced the acquisition of LymphoSign Inc. and its clinical oncology program LS104, a small molecule tyrosine kinase inhibitor in Phase I clinical trials for acute myelogenous leukemia and other myeloproliferative disorders. Approved by both U.S. and European regulatory authorities, dosing of the first patient in the initial Phase I clinical trial for LS104 was initiated in May 2007. Concurrently with the closing of the transaction, several current shareholders invested additional funds in Aegera's previously disclosed Series C financing.

“With the acquisition of the LS104 clinical program and concurrent financing behind us, we are well-positioned to rapidly move our four internal programs through clinical proof-of-concept studies and to seek additional clinical and financial assets to build what I believe will become one of North America's leading biotechnology companies,” stated Dr. Michael Berendt, Aegera's President & CEO. “I am continually impressed by the quality of Aegera's human resources across our entire research, development and administrative organization, and I am very excited by Aegera's prospects over the next 18 months, as we begin to deliver Phase II data for multiple clinical programs.”

“This acquisition is a first step in an aggressive plan to build significant shareholder value in the near term by adding to our clinical development pipeline and positioning Aegera as an oncology development partner of choice,” declared Mr. James Rae, Chairman, Aegera's Board of Directors. “By the end of 2007, Aegera's development team will have successfully submitted four Investigational New Drug Applications (“INDs”) for novel compounds over the last 36 months, and will initiate four Phase II clinical trials for its lead oncology program – AEG35156 – an extremely impressive record for any North American biotechnology company.”

About LS104

LS104 is a novel small molecule tyrosine kinase inhibitor of therapeutically significant kinases including Jak2 and Bcr-Abl, being developed for the treatment of leukemia and other haematological malignancies and myeloproliferative disorders. In contrast to marketed kinase inhibitor drugs, LS104 inhibits its targets in a non-ATP-competitive manner which may be a significant advantage in treating cancers where resistance has arisen due to mutations in the ATP binding site. LS104 preferentially induces apoptosis of acute myelogenous leukemia (AML) and acute lymphoblastic leukemia (ALL) cells while being relatively non-toxic to normal bone marrow cells. The in vivo efficacy of LS104 has been demonstrated in animal models of acute leukemia resulting in increased survival and decreased blast counts in bone marrow. Based on these positive findings, a US IND and a German CTA have been approved and LS104 is currently being tested in a

Phase I, open-label, dose-escalating study alone and in combination with cytarabine in patients with haematological malignancies and myeloproliferative disorders.

About Aegera Therapeutics Inc.

Aegera Therapeutics is a clinical stage biotechnology company focused on developing drugs that control apoptosis to address major unmet medical needs. Multiple programs are in development to induce apoptosis to kill cancer cells and to prevent apoptosis to save injured neuronal cells:

- AEG35156 targets the key anti-apoptotic protein XIAP, and is currently in multiple human clinical trials for the treatment of solid tumors and leukemia;
- AEG40826 is a potent small molecule that neutralizes the activity of key Inhibitor of Apoptosis Proteins (IAPs), and has begun definitive IND-enabling preclinical toxicology studies as an anti-cancer therapeutic;
- AEG33773 is a novel, orally bioavailable small molecule developed to treat painful diabetic neuropathy; definitive IND-enabling preclinical toxicology testing has been initiated.

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