THERA-MED

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**For Immediate Release**

# TheraMed Announces FDA Authorization to Initiate Clinical Testing for First Cell-Based Oxygen Therapeutic in Humans

**Rockville, MD, May 17, 2001** – TheraMed, Inc. today announced plans to commence its Phase I clinical trial of ErythroMax™ – the world's first cell-based oxygen therapeutic. ErythroMax™ is designed to modify and enhance red blood cells by increasing their oxygen-delivery function. By increasing the level of oxygen released from the red blood cells, TheraMed's technology has the potential to lower wound infection risk and reduce adverse cardiovascular and cerebrovascular episodes when used in surgical support and as a treatment for chronic cardiovascular diseases.

The Phase I safety trial will be conducted at the University of Cincinnati and the affiliated Hoxworth Blood Center. ErythroMax™ will enhance a patient's own red blood cells to release 2-3 times more oxygen to tissues than normal red blood cells (RBC), potentially allowing more rapid recovery from surgery and improving function in oxygen deprived tissues for several weeks.

Doug Doerfler, CEO commented, "This is a significant milestone for TheraMed as it represents the first product based on the Company's proprietary drug and gene delivery system to enter human clinical trials. We look forward to completing preclinical efforts in other areas to provide a new class of therapeutics for treatment of infectious diseases, cancer, cardiovascular diseases, and genetically inherited disorders."

ErythroMax™ is a red blood cell-enhancing therapeutic which replaces 2,3 DPG (found in normal RBC) with Inositol Hexaphosphate (IHP). IHP is found in normal mammalian cells and in abundant quantities in grains, such as rice. Although IHP has been studied for over two decades as a method for dramatically improving red blood cell function, it has never been safely and efficiently delivered into red blood cells in sufficient quantities to produce the desired biological effects and permit satisfactory preclinical and clinical evaluation of the potential efficacy. In preclinical studies, TheraMed has shown that IHP can consistently increase oxygen delivery by up to threefold in human blood treated with the ErythroMax™ system.

TheraMed's proprietary drug and gene delivery technology inserts IHP into red blood cells through a sterile high flow closed system utilizing flow electroporation. According to Chief Medical Officer of TheraMed and former Director, Division of Hematology at the US Food and Drug Administration, Dr. Joseph Fratantoni, "TheraMed's drug delivery system has revolutionized the ability to efficiently insert bioactive molecules including drugs and genes into human cells. ErythroMax™ demonstrates the way this technology may benefit patient outcomes by increasing oxygen delivery to hypoxic tissue for a sustained period of time. We are very pleased that US FDA has authorized our clinical team to initiate clinical trials with this revolutionary technology".

ErythroMax™ may be further evaluated in human clinical trials for treatment of hypoxic conditions including perisurgical applications and for certain diseases resulting from oxygen deficiency such as peripheral vascular occlusive disorders. It has been estimated that several million patients annually could benefit from the RBC-enhancing product line.

TheraMed, Inc., is a clinical stage biotechnology company developing targeted therapeutic products to treat severe and chronic diseases, including cancer, serious infections, cardiovascular disease and genetic disorders, based on its proprietary technology that uses blood cells for drug and non-viral gene delivery. TheraMed is majority owned by EntreMed, Inc. Please visit the TheraMed website at http://www.TheraMedInc.com, which will be launched on May 21, 2001.

EntreMed, Inc., The Angiogenesis Company(TM), is a clinical-stage biopharmaceutical company emphasizing antiangiogenesis therapeutics that inhibit abnormal blood vessel growth associated with a broad range of diseases such as cancer, blindness and atherosclerosis. The company's strategy is to accelerate development of its core technologies through collaborations and sponsored research programs with university medical departments, research companies and government laboratories. For further information, please visit the EntreMed web site at http://www.entremed.com.

*This announcement may contain, in addition to historical information, certain forward-looking statements that involve risks and uncertainties. Such statements reflect management's current views and are based on certain assumptions. Actual results could differ materially from those currently anticipated as a result of a number of factors, including risks and uncertainties.*

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