



Inologic Receives \$1.5 Million Award from Cystic Fibrosis Foundation Therapeutics

SEATTLE, February 27, 2003 -- Inologic, Inc. announced today that it has received a \$1.5 million award from Cystic Fibrosis Foundation Therapeutics (CFFT), the drug discovery and development arm of the Cystic Fibrosis Foundation.

The award will support the preclinical development and Phase I trials of INO-4995, Inologic's lead compound, expected to circumvent the molecular defect in the cells of people with cystic fibrosis (CF). It is hoped that INO-4995 will restore normal function to mucous membranes by regulating the sodium and chloride ions that control airway surface liquid volume.

"This award will allow Inologic to expand on the initial discoveries of our scientific founder, Dr. Alexis Traynor-Kaplan, and will help validate the therapeutic potential of this exciting new class of important signaling molecules in a disease where this compound's mode of action could offer definitive patient benefits", stated Beatrice Langton-Webster, PhD., Inologic's vice president, drug development and principle investigator on the grant.

CF is characterized by a thick, sticky mucus that builds up in the lungs leading to chronic lung infections and inflammation over time. By regulating the sodium and chloride ions in the mucous membranes, it is hoped that INO-4995 will thin the mucous, leading to fewer lung infections and less inflammation.

"Building the pipeline of new CF drugs is a top priority for the CF Foundation," stated Robert J. Beall, Ph.D., president and CEO of the CF Foundation. "Inologic's development of INO-4995 is a promising addition to that pipeline and could offer an innovative way to treat CF while also improving the quality of life for people with CF. We are looking forward to working closely with Inologic as they move forward with research and clinical trials and are glad to have them as part of the team fighting to defeat this disease."

"We are pleased to have the strong support of Cystic Fibrosis Foundation Therapeutics as we advance INO-4995 into clinical trials. Our goal is to develop a CF drug candidate that will act to restore normal fluid secretion at the cellular level and reduce the infections and thick mucus buildups experienced by CF patients," stated Ed Field, president and CEO of Inologic.

About Cystic Fibrosis

Cystic Fibrosis is a genetic disease caused by the dysfunction of the cystic fibrosis transmembrane regulator protein (CFTR). This protein acts as an ion-specific channel and regulator that moves salt and water on the surface of the airway cells. Defective CFTR function in CF patients leads to poorly hydrated, thick, mucous secretions in the airways and severely impaired mucociliary clearance. There are approximately 30,000 people with CF in the United States and 75,000 in the eight major international pharmaceutical markets. According to the Cystic Fibrosis Foundation, the median age of survival for people with CF is 33 years.



About Cystic Fibrosis Foundation

Established in 1955, The Cystic Fibrosis Foundation funds both specialized care and research to develop treatments to cure and control CF and improve patients' quality of life. More information about the Cystic Fibrosis Foundation and CF may be found on their Web site at www.cff.org.

About Inologic

Inologic, Inc. is the leading biopharmaceutical company in the discovery and development of a new class of therapeutics based on the study of inositol signaling molecules and their role in regulating key cell functions. Inologic believes its proprietary compounds can affect the signaling pathways that manage the cell functions linked to many serious diseases, including inflammation, cancer, diabetes, central nervous system disorders, cystic fibrosis, and diarrhea.

For more information on Inologic, please visit <http://www.inologic.com> or contact Ed Field, President and Chief Executive Officer at 206.448.9226.