



TransMolecular, Inc.

A Neuroscience Biotechnology Company

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FOR IMMEDIATE RELEASE

TransMolecular, Inc. is pleased to announce the following three appointments:

Dr. Vernon L. Alvarez, Ph.D. - Vice President, Research and Development. Dr. Alvarez will be responsible for the discovery and development of new products and will serve as a member of the senior management team. Dr. Alvarez brings to TransMolecular over 18 years of biotechnology and R&D experience in antibodies, peptides, immunotherapeutics, radiopharmaceuticals, and novel drug delivery technologies. He was formerly employed by Cytogen, Inc., a developer of antibody based therapeutics and diagnostics, where he held various positions, including Vice President of Discovery Research and Vice President of Drug Discovery. He was a primary contributor to the successful development of several of Cytogen's commercialized products.

Diana Hablitz, R.N., M.S., C.R.N.P. - Coordinator, Preclinical and Clinical Development. Ms. Hablitz will be responsible for managing TransMolecular's preclinical drug development and clinical trials. Ms. Hablitz has more than 20 years of nursing, clinical trials management, and research experience, including more than seven years of neurological clinical trials at Baylor College of Medicine and the University of Alabama at Birmingham. Her most recent position was Clinical Trials Coordinator with Axcan Scandipharm Inc., a developer of drugs for gastrointestinal disorders.

Dennis J. Carlo, Ph.D. – Director. Dr. Carlo is a co-founder of The Immune Response Corporation. From 1987-1994, he served as Chief Scientific Officer and Chief

Operating Officer of the Company. Dr. Carlo was formerly Vice President of Research and Development and Therapeutic Manufacturing at Hybritech, Inc., a biotechnology company acquired in 1986 by Eli Lilly & Co. Previously, Dr. Carlo held various positions at Merck & Co. Inc., including director of developmental and basic cellular immunology and director of bacterial vaccines and immunology. He was named Biotechnology 1991 Entrepreneur of the Year. Dr. Carlo is currently the President, Chief Executive Officer and a member of the Board of Directors for The Immune Response Corporation. Dr. Carlo received his bachelor's, master's and doctoral degrees from Ohio State University.

About TransMolecular

Founded in July 1996 by Dr. Stephen G. Waxman of Yale University and Dr. Harald W. Sontheimer of the University of Alabama at Birmingham Medical Center, TransMolecular is developing therapies and diagnoses for diseases of the central nervous system and related tissues. Matthew A. Gonda, Ph.D. joined the company in January of 1999 as its President, Chief Executive Officer, and Board Director. Dr. Gonda has over 28 years of experience in the biotech and life science industries where he held senior management and executive positions.

The company has targeted three diseases applicable to its technology platforms – cancer, edema, and neuropathic pain. It has a number of products for treating primary brain tumors in various stages of research and development, and expects to be in clinical trials next year. TransMolecular's technology platforms are based on ion channels and proteins that interact with ion channels that have been mined from and are selectively expressed in the central nervous system and related tissues; the company has exclusively licensed this technology from Yale University and the University of Alabama at Birmingham.

TransMolecular's molecular targeting approach to cancer is unique in that it identifies pathways or targets on tumor cells and destroys them without harming the normal cells. The company is using chlorotoxin, a component of venom obtained from the giant yellow Israeli scorpion, *Lerius quinquestriatus*, as a drug delivery vehicle that binds specifically to a receptor associated with chloride ion channels found on primary brain tumors or gliomas, but not normal tissues. Various therapeutic entities can be attached to the 36-amino acid chlorotoxin peptide, including radioisotopes used in radiotherapy, cytotoxic chemicals, and cytolytic molecules.

With its focus on brain cancer, the company is targeting a disease for which there is an unmet medical need. TransMolecular's products are likely to receive Orphan Drug status as only 20,000-24,000 patients are diagnosed with glioma each year. The company will apply for Fast Track development for its therapies for glioma with the FDA and has clinical trials planned to begin in the third quarter of 2001.

TransMolecular's corporate offices and R&D laboratories are located in Birmingham, Alabama. For more information, contact the company at (205) 972-0770 or visit the Company's website at www.transmolecular.com.