



TransMolecular, Inc.

A Neuroscience Biotechnology Company

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FOR IMMEDIATE RELEASE

Clinical Trials to Begin for New Drug to Treat Deadly Form of Brain Cancer

*Researchers synthesize a naturally occurring substance from scorpions
as basis for new drug*

LOS ANGELES and BIRMINGHAM, Ala. (June 18, 2002) — Brain surgeons at two major U.S. medical centers—City of Hope in Los Angeles and the University of Alabama at Birmingham (UAB) —will soon begin treating patients suffering from glioma, one of the most deadly forms of brain cancer, with an investigational new drug called ^{131}I -TM-601, being developed by TransMolecular, Inc., a Birmingham-Ala.-based neuroscience biotechnology company.

^{131}I -TM-601 is a radiopharmaceutical containing a synthetic version of a substance derived from scorpions called chlorotoxin. The multi-center study will evaluate the safety and tolerability of a single dose of ^{131}I -TM-601, as well as overall tumor response rate in the initial study group of 18 patients.

In pre-clinical studies, TransMolecular scientists determined that ^{131}I -TM-601 was able to extend survival in a mouse model that mimicked human brain tumors. TM-601, based on chlorotoxin sequences, has been shown to be non-toxic in animal studies. The Food and Drug Administration approved TransMolecular's IND application to begin a Phase I/II clinical study of the drug in humans in January 2002.

"Therapeutic options for glioma patients are rather limited," said Matthew A. Gonda, Ph.D., TransMolecular President and CEO. "We have now harnessed the power of Mother Nature by incorporating a natural product into our anti-cancer drug. ^{131}I -TM-601 uses sequences from chlorotoxin that have evolved to precisely locate and bind to their receptor, which is abnormally expressed on tumor cells, but not on normal cells. It's like molecular surgery. The chlorotoxin sequences are the guidance system that delivers a radioactive payload to its target, precisely killing the tumor cells. We are very pleased to be working with two nationally recognized medical centers whose expertise in brain cancer makes them leaders in this field."

Doctors at City of Hope Cancer Center and the UAB Brain Tumor Treatment and Research Program are currently seeking adult patients with recurrent glioma who have not had prior treatment with gene therapy, brachytherapy, radiosurgery or implants of polymers containing chemotherapeutic agents. Patients must also be eligible for resection of the recurrent tumor. Eighteen patients will be monitored over a six-month period during the study. Prospective patients or their physicians should contact UAB at 205-975-0438 or City of Hope at 626-359-8111, ext. 63033 or ext. 62329.

Glioma is highly invasive, sending cancerous cells throughout the brain and spinal cord. Surgical techniques fail to eradicate the tumor and other adjuvant therapies are inadequate. Brain cancers are among the most difficult and expensive cancers to treat. About 36,000 primary brain tumors are reported in the U.S. each year; of these, more than 17,000 are diagnosed with high-grade gliomas. About half of these patients die within the first year, according to the American Cancer Society. There is a need for safe, more effective treatments for glioma.

ABOUT TRANSMOLECULAR, INC.

TransMolecular, Inc. founded in 1996, is a privately held neuroscience biotechnology company committed to discovering, developing and commercializing novel and proprietary products to diagnose and treat disorders and diseases of the central nervous system having inadequate pharmaceutical alternatives, including cancer and pain. The company's corporate office and R&D laboratory are located in Birmingham, Ala. For more information, visit www.transmolecular.com.

ABOUT THE UNIVERSITY OF ALABAMA AT BIRMINGHAM

The UAB Health System is internationally known for its expert physicians, medical education, groundbreaking research and strong commitment to compassionate, personal care for patients. UAB is a National Cancer Institute-designated Comprehensive Cancer Center and the university's Brain Tumor Treatment & Research Program is devoted to the care and treatment of patients with brain tumors and neurologic complications of systemic cancers. The program at UAB has been in existence for over 12 years and during this period has developed into one of the largest such programs in the country. For more information, visit www.uab.edu.

ABOUT CITY OF HOPE

City of Hope Cancer Center is one of the world's leading research and treatment centers for cancer and other life-threatening diseases, including diabetes and HIV/AIDS. A pioneer in the fields of bone marrow transplantation and genetics, City of Hope is a National Cancer Institute-designated Comprehensive Cancer Center. For more information, visit www.cityofhope.org.

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