



FOR IMMEDIATE RELEASE

**Jennerex and Lee's Pharmaceutical Reports Positive Mechanistic Proof-of-Concept Clinical Trial Results
Using JX-594 to Treat Metastatic Melanoma**

-- Data Published in Current Issue of *Molecular Therapy* --

San Francisco, California and Hong Kong, August 3, 2011--Jennerex, Inc., a private clinical-stage biotherapeutics company focused on the development and commercialization of first-in-class targeted oncolytic products for cancer, today announced that positive results from a proof-of-concept clinical trial using JX-594 to treat patients with metastatic melanoma were published in the peer-reviewed journal *Molecular Therapy*.

"This clinical trial in metastatic melanoma provides additional key information for our JX-594 program and complements the ongoing clinical development of JX-594, which is expected to enter a randomized Phase 2b trial in advanced liver cancer later this year," said David Kirn, M.D., president and chief executive officer of Jennerex. "Specifically, JX-594 replication was observed following multiple rounds of intratumoral JX-594 therapy, providing proof-of-concept data for the potential benefit of chronic administration regimens of the product."

The mechanistic proof-of-concept study enrolled 10 treatment-refractory Stage IV melanoma patients, eight of whom completed the study. All patients received up to nine weekly intratumoral injections of JX-594 at a low dose (less than 10 percent of the dose given in other JX-594 trials). Evidence of JX-594 activity was assessed in blood samples and tumor biopsies. Blood samples collected over the course of treatment demonstrated JX-594 replication after repeated dosing as well as the expression and functionality of JX-594 encoded transgenes. Tumor biopsies showed tumor cell necrosis (death) and immune cell recruitment into tumors. JX-594 was safe and well-tolerated, with flu-like symptoms as the most common side effect for patients.

JX-594: A Multi-Mechanistic Approach To Targeting Cancer

JX-594 is a proprietary, engineered oncolytic virus that is designed to selectively target and destroy cancer cells. JX-594 is designed to attack cancer through three diverse mechanisms of action: 1) the lysis of cancer cells through viral replication, 2) the reduction of the blood supply to tumors through vascular targeting and destruction, and 3) the stimulation of the body's immune response against cancer cells, i.e., active immunotherapy. Phase 1 and Phase 2 clinical trials in multiple cancer types to date have shown that JX-594, delivered either directly into tumors or systemically, induces tumor shrinkage and/or necrosis and is well-tolerated by patients (over 100 treated to date). Objective tumor responses have been demonstrated in a variety of cancers including liver, colon, kidney, lung and melanoma.



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JX-594 has a favorable safety profile with predictable and generally mild side effects that typically include flu-like symptoms that resolve in 48 to 72 hours.

The poxvirus strain backbone of JX-594 has been used safely in millions of people as part of a worldwide vaccination program. This strain naturally targets cancer cells due to common genetic defects in cancer cells. JX-594 was engineered to enhance this natural safety and cancer-selectivity by deleting its thymidine kinase (TK) gene, thus making it dependent on the cellular TK expressed at persistently high levels in cancer cells. To enhance product efficacy, JX-594 is also engineered to express the GM-CSF protein. GM-CSF complements the cancer cell lysis work of the product candidate, leading to a cascade of events resulting in tumor necrosis, tumor vasculature shutdown and an anti-tumoral immune attack.

"JX-594 has continued to show promise in treatment of a variety of cancers. As Jennerex's local partner in China, we are encouraged by this important publication," Dr. Li, the Chief Executive Officer of Lee's Pharmaceutical Holdings Limited concluded. "Once the Phase IIb TRAVERSE trial is initiated, we will work hard to enroll patients in Hong Kong for this liver cancer study."

About Jennerex

Jennerex, Inc. is a clinical-stage biotherapeutics company focused on the development and commercialization of first-in-class, breakthrough targeted oncolytic products for cancer. The Company's lead product JX-594 is currently in two Phase 2 clinical trials in patients with primary liver cancer—an international, randomized, Phase 2 clinical trial, and a Phase 2 study of JX-594 in combination with sorafenib. Published studies designed to establish optimal dose levels and the safety profile of JX-594 have shown its ability to selectively target and cause destruction of a variety of common cancer types. JX-594 and other product candidates under development are designed to attack cancer tumors through three diverse mechanisms of action: the lysis of cancer cells through viral replication, the ablation of the blood supply to tumors through vascular targeting and destruction and the stimulation of the body's immune response against the cancer. Jennerex is headquartered in San Francisco and has related research and development operations in Ottawa, Canada and Pusan, South Korea. For more information about Jennerex, please visit www.jennerex.com.

About Lee's Pharmaceutical

Lee's Pharmaceutical Holdings Limited is a public biopharmaceutical company with over 16 years operation in China's pharmaceutical industry. It is fully integrated with solid infrastructures in drug development, clinical development, regulatory, manufacturing, sales and marketing in China with global perspectives and currently markets nine products. Lee's Pharma focuses on several key therapeutics areas such as cardiovascular and infectious diseases, dermatology, oncology and gynecology. It has more than 30 products under different development stages stemming from both internal R&D as well as from the recent acquisition of licensing and distribution rights from 18 U.S, European and Japanese



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companies. The mission of Lee's is to become a successful biopharmaceutical group in Asia providing innovative products to fight diseases and improve health and quality of life. Additional information about Lee's Pharma is available on the internet at www.leespharm.com.

Safe Harbor Statement

The statements in this news release, other than the historical financial information, may contain forward-looking statements that involve risks and uncertainties that could cause actual results to differ from anticipated results. Further information on risk factor that could affect, among other things, Lee's financial condition and results of operations is detailed in Lee's IPO prospectus, as filed with the Main Board of the Stock Exchange of Hong Kong Limited.

For further information, please contact:

Vivian Fung

Tel: (852)2314-1282

Fax: (852)2314-1708

Email: info@leespharm.com