



## **Avaxia Biologics Awarded \$1.5 Million Phase II SBIR Grant from NIH to Develop Oral Antibody Therapeutic for Inflammatory Bowel Disease**

**LEXINGTON, Mass. – March 12, 2012** – Avaxia Biologics, Inc., a privately-held biotech company using its proprietary platform technology to develop orally-active antibody therapeutics for the treatment of gastrointestinal diseases, is proud to announce that it has received a second round of funding from the National Institutes of Health for its work in inflammatory bowel disease. Avaxia Biologics has been awarded a Phase II Small Business Innovation Research (SBIR) grant from the National Institute of Diabetes and Digestive and Kidney Diseases of the National Institutes of Health (NIH) to support the development of a novel antibody therapeutic for inflammatory bowel disease. This Phase II award provides Avaxia with \$1.5 million in funding over 2 years and was based on the successful completion of a Phase I SBIR award that demonstrated efficacy of AVX-470 in mouse model systems of inflammatory bowel disease.

"We are delighted to have been awarded this grant from the NIH, and we thank the NIH for funding the further safety and efficacy testing of AVX-470 that will pave the way towards clinical trials," said Barbara S. Fox, Avaxia's founder and CEO. "Our in vivo animal data, generated under prior funding of the NIH, has shown that our orally active anti-TNF antibody significantly reduced inflammatory bowel disease severity in three different animal models and showed superior efficacy to an oral steroid drug in a comparative test of disease remission.

"We believe these consistent and statistically significant results in the standard animal models of IBD indicate that AVX-470 has the potential to become a leading therapy for inflammatory bowel disease, a chronic and debilitating disease of over a million and a half North Americans and four million people worldwide. We are also heartened to observe that our product has shown superior efficacy to an oral steroid drug in a comparative test of disease remission. With these impressive results, and with the support of this Phase II SBIR grant, Avaxia plans to enter into clinical trials with AVX-470 in patients with IBD this year. AVX-470 appears to be on track to be the first orally-active anti-TNF antibody for IBD."

**About Inflammatory Bowel Diseases:** Inflammatory bowel diseases incur significant personal and societal costs. For example, the primary symptoms of both Crohn's disease and ulcerative colitis are abdominal pain, diarrhea and bleeding. These diseases typically present at a young age, and most patients require lifelong therapy. Chronic drug therapy, hospitalization, and surgery are common and are associated with significant morbidity. The Centers for Disease Control (CDC) estimates that 1.4 million people in the U.S. suffer from these diseases, with an overall annual health care cost of more than \$1.7 billion. The prevalence of IBD is equally divided between Crohn's disease and ulcerative colitis.