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**BIOLEX THERAPEUTICS COMMENCES UNITED STATES
PHASE 2a TRIAL OF LOCTERON® IN HEPATITIS C**

PITTSBORO, NORTH CAROLINA, February 7, 2008 - Biolex Therapeutics, Inc. today announced the commencement of patient dosing in a United States Phase 2a clinical trial of its lead product candidate Locteron for the treatment of hepatitis C. As a controlled-release interferon alfa, Locteron is designed to improve patient care through a more favorable side-effect profile and more convenient patient dosing compared to existing pegylated interferon products and Albuferon®, each of which lack a controlled-release mechanism. The U.S. Phase 2a trial is designed to expand upon the favorable results of the SELECT-1 European Phase 2a trial announced November 6, 2007, at the 58th Annual Meeting of the American Association for the Study of Liver Diseases (AASLD) conference.

The United States Phase 2a “PLUS” trial will evaluate up to 56 patients with chronic hepatitis C. The PLUS trial will evaluate safety, tolerability, pharmacokinetics and viral kinetics of Locteron and provide U.S. investigators first-hand experience with the drug candidate. Locteron doses to be evaluated in the trial include 320 µg, the lowest dose in the SELECT-1 study to show favorable viral response, and 640 µg, the highest dose of Locteron studied to date. The first phase of the PLUS trial will involve four weeks of treatment and will compare the 320 µg dose of Locteron to PEG-Intron®, each in combination with ribavirin, in a total of 16 chronic hepatitis C patients who have failed prior treatment. The second phase of the trial will also include four weeks of treatment and will compare the 640 µg dose of Locteron to PEG-Intron, each in combination with ribavirin, in a total of 16 patients who have failed prior treatment. The final phase will evaluate twelve weeks of treatment of 24 treatment-naïve patients with the genotype-1 variant of the virus, with patients randomized to receive either the 320 µg dose of Locteron, the 640 µg dose of Locteron, or PEG-Intron, each in combination with daily ribavirin. The clinical trial is being conducted under an Investigational New Drug application filed with the FDA.

“We are pleased to commence this trial as it offers us the opportunity to complement the results achieved in two European clinical trials, to provide key U.S. investigators first-hand experience with Locteron, and to directly compare Locteron with the current standard of care for hepatitis C,” said Mr. Jan Turek, Biolex President and Chief Executive Officer. “The SELECT-1 results highlighted three doses that appear to provide a favorable combination of efficacy and improved tolerability, and we look forward to expanding the evaluation of Locteron to this U.S. study and to more advanced clinical testing.”

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The SELECT-1 Phase 2a trial reported at the recent AASLD conference was conducted in 32 treatment-naïve chronic hepatitis C patients with the genotype-1 variant of the virus. SELECT-1 evaluated four doses of Locteron, 160, 320, 480 and 640 µg, administered once every two weeks in combination with the antiviral drug ribavirin. A statistically significant dose response was observed in the trial and treatment with the three highest doses of Locteron resulted in a strong anti-viral response. Specifically, the combination of Locteron and ribavirin resulted in an early virologic response (EVR) in 88% of the patients treated with the 320 µg dose and in 100% of the patients treated with each of the 480 and 640 µg doses. Importantly, the study results also suggested that patients receiving Locteron experienced side effects that were less frequent and less severe than those previously reported in clinical trials for the currently marketed pegylated interferons and for Albuferon, a product candidate currently under development.

The Company expects to commence a Phase 2b trial of Locteron in the fourth quarter of 2008. Biolex is co-developing Locteron with its partner OctoPlus N.V. Locteron is an investigational therapeutic candidate and has not been approved for sale by the United States Food and Drug Administration or by any international regulatory agency.

Locteron Overview

As a controlled-release interferon alfa, Locteron is designed to improve patient care through a more favorable side-effect profile and more convenient patient dosing compared to existing pegylated interferon products and Albuferon (albumin-fused interferon), each of which lack a controlled-release mechanism. Locteron combines BLX-883, a recombinant interferon alfa produced by Biolex in its patented LEX SystemSM, with PolyActiveTM, an advanced controlled-release drug delivery technology developed by OctoPlus. Locteron is configured to allow dosing once every two weeks, an improvement in patient convenience compared to currently marketed pegylated interferon alfa products that require dosing every week. More importantly, Locteron's controlled-release mechanism results in the gradual release of interferon alfa to patients over the duration of two weeks. This controlled-release mechanism is designed to cover inter-dose troughs while reducing the frequency, duration and severity of side effects, including flu-like symptoms, commonly experienced by patients treated with currently marketed pegylated interferons and with Albuferon.

Biolex and OctoPlus plan to commence SELECT-2, a Phase 2b trial of Locteron in the fourth quarter of 2008. The 12-week results of the Phase 2b trial will be used as the basis for dose selection for the commencement of the Phase 3 development program.

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About Biolex Therapeutics

Biolex is a clinical-stage biopharmaceutical company that uses its patented LEX SystemSM to develop hard-to-make therapeutic proteins and to optimize monoclonal antibodies. The LEX System is a novel technology that genetically transforms the aquatic plant *Lemna* to enable the production of biologic product candidates. The company's product candidates are designed to provide superior efficacy/tolerability profiles and to address large, proven pharmaceutical markets. Biolex's lead product candidate, Locteron®, is in Phase 2 clinical trials and is the only controlled-release interferon alfa known to be currently in clinical development for the treatment of chronic hepatitis C. Biolex has also developed two other product candidates that capitalize on the benefits of the LEX System, which it is advancing toward clinical trials: BLX-155, a direct-acting thrombolytic designed to dissolve blood clots in patients; and BLX-301, an anti-CD20 antibody it is optimizing for the treatment of non-Hodgkin's B-cell lymphoma and other diseases.

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