

For immediate release

Atox Bio Announces Positive Top Line Results in the AB103 Necrotizing Soft Tissue Infections (NSTI) Phase 2a Trial

- *Top line results demonstrate meaningful improvement across multiple end points*
- *AB103 was shown to be very well tolerated by patients*

Ness Ziona, Israel November 20, 2012 – Atox Bio today reported positive top-line results from the AB103 randomized, double-blind, placebo-controlled Phase 2a trial in patients with Necrotizing Soft Tissue Infections (NSTI), a life-threatening bacterial infection with significant morbidity and high mortality rate.

The trial demonstrated that patients treated with AB103 had a meaningful improvement across multiple endpoints measured in the trial compared to placebo. Patients treated with AB103 had a faster resolution of organ dysfunction, spent fewer days in ICU, required fewer days of assisted ventilation and needed fewer surgical procedures to remove infected tissue. In addition, systemic inflammatory biomarkers demonstrated a faster decline in treated patients compared to placebo, consistent with the drug's mechanism of action. Atox Bio plans to present data from the trial at an upcoming major medical meeting.

The trial evaluated two doses of AB103 versus placebo in 40 adult patients with NSTI enrolled at six leading medical centers across the U.S. AB103 was administered to 30 patients while 10 patients received placebo. All patients also received standard of care treatment for NSTI including surgical removal of necrotic tissue, antibiotics and supportive care.

AB103 was shown to be very well tolerated in the study with no major differences in rates of adverse events between the groups and without any adverse events that were related to the study drug.

AB103 is a rationally designed, short peptide that modulates the host's inflammatory response and improves the body's ability to effectively fight the infection. Atox Bio's approach provides broad-spectrum coverage independent of pathogen type and without the risk of drug resistance.

Dr. Eileen Bulger, Professor of Surgery and Chief of Trauma at the University of Washington Harborview Medical Center and the study PI said: "Patients with necrotizing soft tissue infections are critically ill with high rates of mortality, amputation, and large disfiguring wounds. There are few treatment options for this devastating disease. These early results utilizing AB103 suggest a promising new therapy for this disease. We look forward to continuing with a larger clinical trial to establish the optimal treatment regimen. "

“AB103 is a novel, short peptide immune regulatory therapy that appears to be very promising as an adjuvant treatment in early clinical trials of necrotizing soft tissue infections (NSTI)” said Dr. Steven Opal, Brown Medical School professor of medicine, who also serves as Memorial Hospital of Rhode Island’s chief of its infectious disease division and a member of Atox Bio's Scientific Advisory Board. “These are devastating infections that need immediate and often repeated surgical intervention, and prolonged courses of antibiotics. A new and safe treatment to reduce the need for repeated surgeries, and long ICU stays would be a welcome addition to current NSTI management strategies.”

“We are very encouraged to see such promising results demonstrating improvement across multiple end points with AB103, the first agent being specifically tested for NSTI, a life-threatening and debilitating disease,” said Dan Teleman Atox Bio's CEO. “There are currently no approved treatments specifically for NSTI. Given these clinical trial results and AB103’s FDA Fast-Track and Orphan Drug status, we hope to accelerate the development of AB103 and make it available to NSTI patients.”

About Atox Bio

Established in 2003 by Prof. Raymond Kaempfer and Dr. Gila Arad from the faculty of Medicine of the Hebrew University of Jerusalem and Yisum, the technology transfer company of the Hebrew University of Jerusalem, an investor in the Company through Yisum holding company Integra Holdings.

Atox Bio is a clinical stage biotechnology company that develops novel immunomodulators for severe infections in critically ill patients.

AB103, Atox Bio’s lead product, is being developed for Necrotizing Soft Tissue Infections (NSTI) and other severe infections.

DARPA and NIAID has granted over \$12 million for biodefense research for the development of therapeutics against a broad family of bacterial toxins, the superantigens.

Atox Bio was included as one of the portfolio companies of Integra Holdings, a holding company formed by Yisum.

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