

For immediate release

Atox Bio raises \$2.1 Million to advance development of AB103, a novel therapy for the treatment of severe bacterial infections.

Rehovot Israel – October 14, 2010 - Atox Bio Inc. today announced that it has raised \$2.1 million to advance the development of AB103, a clinical stage therapeutic being developed for the treatment of severe bacterial infections and sepsis.

The investment, made by a private US investor, comes in addition to a previous private investment as well as DARPA and NIAID grants totaling more than \$14 million.

"We are very pleased with this financing round in what is a challenging environment" stated Dan Teleman, Atox Bio's CEO. "This achievement reflects our investors' appreciation of the value that we have built with AB103, a new therapeutic approach to treating patients suffering from severe bacterial infections and sepsis. With these proceeds we plan to complete our ongoing phase 1 and prepare to initiate a phase 2 in early 2012."

About AB103

AB103, a novel immunomodulator offers a unique approach in the treatment of infectious diseases by modulating but not abrogating the host immune system. This approach of targeting the host immune response rather than the pathogen precludes the rapid generation of drug resistance and provides a multisystem solution for bacterial infections with broad-spectrum coverage, independent of pathogen type.

AB103 provides protection from lethal bacterial infections in experimental models of a wide range of bacterial pathogens, both Gram-positive and Gram-negative and from bacterial superantigen toxins.

About Atox Bio

Established in 2003, Atox Bio is a clinical stage biotechnology company that develops therapeutics for diseases mediated by an excessive inflammatory response. Atox Bio focuses on novel modulators of the immune response that act broadly to attenuate excessive cytokine responses underlying disease, with therapeutic applications ranging from infectious to inflammatory/autoimmune diseases. These applications represent areas with major unmet medical need.

Atox Bio is located in Rehovot, Israel and is a spin-off of Yissum, the technology transfer company of the Hebrew University of Jerusalem. For more information, please visit <http://www.atoxbio.com>

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