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**BIOADVANCE PORTFOLIO COMPANY ACUITY PHARMACEUTICALS  
LEAPFROGS FROM SEED FUNDING TO MAJOR MILESTONES**

***--Company Reports Major Financing and Start of 'First-in-Human' RNAi Clinical Trials--***

***--Initial Successes Confirm the Value of Supporting Early Stage Life Sciences Enterprise--***

Philadelphia – October 7, 2004 – BioAdvance, the Biotechnology Greenhouse of Southeastern Pennsylvania, today congratulated its portfolio company Acuity Pharmaceuticals on the closing of its \$15 million series B financing and the initiation of human trials for its pioneering treatment for macular degeneration, the leading cause of adult blindness. Acuity is harnessing a recently discovered biological phenomenon called RNA interference, or RNAi, to turn off the genes associated with this common, disabling condition. Its lead product candidate, Cand5, is the first therapy based on this promising new approach to enter human clinical trials. Acuity progressed Cand5 into human studies less than two years after the company was founded.

Acuity was the recipient of a \$500,000 Greenhouse investment from BioAdvance, which also provided business counsel and support.

“Acuity exemplifies how emerging companies with good management and innovative technology can use modest seed investments to great advantage,” said Barbara S. Schilberg, managing director and CEO of BioAdvance. “Its success to date demonstrates why our priority at BioAdvance is to develop additional sources of funding for early-stage life sciences enterprises. These investments can nurture medical breakthroughs that might otherwise be lost for lack of funding, while they also support the development of new businesses able to capitalize on the abundant life sciences resources in our region.”

BioAdvance accelerates the creation of life sciences jobs and businesses in Southeastern Pennsylvania with \$33.8 million from the State's share of tobacco settlement monies. BioAdvance also helps develop other sources of funding and support for regional life sciences activities through creation of the BioInformatics Alliance and other initiatives. Its recently announced venture fund, BioAdvance Ventures, will provide venture capital for regional and state biotechnology companies as they move from seed financing to the next stage of development.

“Acuity's progress demonstrates that cutting-edge innovation is available in our region and that it can progress towards commercialization with the type of early-stage guidance and financial support provided by BioAdvance,” said Gary Kurtzman, M.D., managing director

and COO of BioAdvance. “We were especially pleased to be able to provide support to Acuity at a time when our investment contributed significantly to the company’s ability to take its technology to the next stage.”

BioAdvance has investments in 17 portfolio companies and academic projects through its Greenhouse Fund, and is currently evaluating applicants for its third funding cycle. The next round of portfolio companies will be announced early next year.

“As a start-up company attempting to develop a revolutionary approach to treating human disease, Acuity faced even greater challenges than the typical new firm,” said Dale Pfost, Ph.D., president and CEO of Acuity. “The financial support and business counsel provided by BioAdvance came at a particularly critical juncture and proved to be invaluable in helping us achieve these important milestones.”

**About BioAdvance**

BioAdvance was established in 2002 with \$33.8 million from the Commonwealth’s share of tobacco settlement monies to accelerate the creation of life sciences businesses and jobs in southeastern Pennsylvania. BioAdvance is accomplishing this goal through its key funding program, the \$20-million Greenhouse Fund, linking entrepreneurs to the region’s wealth of resources and with public-private initiatives like the new BioAdvance Ventures, L.P. fund. BioAdvance has selected 17 start-up companies and university-generated technologies for Greenhouse investments. For more information about BioAdvance, please visit [www.bioadvance.com](http://www.bioadvance.com).

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