

Athenix Secures \$8 Million in Venture Capital

RTP, North Carolina – September 10, 2001– ATHENIX CORP., an early stage company focused on gene discovery for plant biotechnology, has secured its first round of venture capital financing of \$8 million. Intersouth Partners of Durham, North Carolina and Polaris Venture Partners of Waltham, Massachusetts led the investment. Boston Millennia Partners of Boston, Massachusetts also participated.

"We're delighted to partner with ATHENIX's impressive management team and work to bring their world class technology to market," said Dennis Dougherty, founding General Partner of Intersouth Partners. "With over 50 years of experience in biotechnology, the ATHENIX management team has a proven track record of taking research projects from the laboratory to the market." Mike Koziel, ATHENIX's CEO, led the team that introduced the world's first genetically modified corn in 1995.

ATHENIX was founded to provide novel genetic solutions for the Agricultural, Energy, and Chemical Feedstock industries by discovering unique traits and developing these traits into products. The core technology platform of the company is centered on high-throughput microbial screening and focused genomic sequencing. ATHENIX discovers microbial strains of interest using assays that specifically identify strains carrying value-adding genes for use in the insecticide, herbicide, or biomass conversion areas. These genes are then isolated, sequenced, and subsequently transformed into economically important plants. This process and the derived genes, proteins and transgenic plants form the foundation of ATHENIX's intellectual property portfolio.

"We're very pleased to have three strong venture capital partners for our first round of financing," said Koziel. "This funding will allow ATHENIX to rapidly establish the critical capacity necessary to successfully move our business forward and to enter into discussions with potential alliance partners."

"We were very impressed with ATHENIX's approach to gene discovery for plant biotechnology and believe that their solutions will radically and positively impact the industry," said Christoph Westphal of Polaris Venture Partners. "We have the utmost confidence in the opportunity, the management team and their business model."

About ATHENIX:

ATHENIX is an early stage biotechnology company that discovers and develops novel genes, proteins, and transgenic plants for the AgChem, Seed, Feed, and Biomass industries. ATHENIX is focused on two significant market opportunities:

- 1) the discovery of genes and proteins for novel input traits and their use to develop transgenic plants for the AgChem and Seed industries; and
- 2) the discovery of genes and proteins for novel output traits and their use to develop transgenic plants for improved biomass conversion to replace fossil petroleum resources with renewable plant resources. For more information about ATHENIX, please contact Mike Koziel at (919) 831-2238, or mkoziel@athenixcorp.com .

About Intersouth Partners:

Located in Durham, North Carolina, Intersouth Partners is one of the largest and most experienced early-stage venture funds in the Southeast, having invested in over sixty private companies, primarily in the technology and life sciences sectors. Founded in 1985, Intersouth Partners manages \$300 million in five venture capital limited partnerships. Intersouth life science portfolio companies include: Athenix, Cogent Neuroscience, Inspire Pharmaceuticals (NASDAQ: ISPH), Paradigm Genetics (NASDAQ: PDGM), and Xanthon.

For more information about Intersouth Partners, please contact Andrea Straw at (919) 493-6640, ext. 108, andrea@intersouth.com or visit www.intersouth.com.

About Polaris Venture Partners:

With \$2 billion under management, Polaris Venture Partners is an early-stage venture capital firm with investments across information and medical technology. Polaris takes an active lead role in its portfolio companies. The Polaris team is committed to helping entrepreneurs grow strong businesses by offering early-stage operational and investment expertise. The firm supports more than 65 Polaris-backed companies, including Akamai Technologies, (NASDAQ: AKAM); Allaire Corporation; Aspect Medical Systems (NASDAQ: ASPM); deCODE Genetics (NASDAQ: DCGN); and Paradigm Genetics (NASDAQ: PDGM). The company has offices in Boston, Austin, and Seattle. More information about Polaris Venture Partners is available at www.polarisventures.com.

About Boston Millennia Partners:

Boston Millennia Partners is a leading private equity investment partnership, providing financing to high growth companies in the healthcare and life sciences, telecommunications and information technology industries. Founded in 1997, the partnership manages more than \$700 million in capital from institutional investors from Europe and North America. The managers at Millennia have funded more than 100 companies in the U.S. venture market since 1980, including life sciences investments in Proteome/Incyte Genomics (Nasdaq: INCY), Deltagen (Nasdaq: DGEN), Illex Oncology (Nasdaq: ILXO), and PARAXEL International (Nasdaq: PRXL), among others. For more information about Boston Millennia Partners, please contact Michael Larsen at (617) 428-5150, mike@millenniapartners.com, or visit www.millenniapartners.com.

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