

Affinium™ Pharmaceuticals

Affinium Pharmaceuticals, Inc.

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Affinium Pharmaceuticals Awarded US\$4.8 Million Biodefense Research Contract by United States Department of Defense/DTRA

TORONTO, Ontario. — January 4, 2007 — Affinium Pharmaceuticals, Inc., has executed a two-year US\$4.8 million research contract with the Defense Threat Reduction Agency (DTRA), an agency of the United States Department of Defense (DoD). The contract will fund preclinical studies of selected compounds from Affinium's fatty acid biosynthesis inhibitor portfolio that have demonstrated potential as therapeutics for the treatment of diseases caused by serious pathogens including *Francisella tularensis*, a potential biological warfare and bioterrorism agent. This DTRA contract builds on Affinium's previous successful research into the inhibition of *Francisella tularensis* conducted with the US National Institute of Allergy and Infectious Diseases.

“Our partnership with DTRA and the DoD serves as validation of Affinium's portfolio of potent oral antibacterial therapeutics,” said Nachum Kaplan Vice President Microbiology of Affinium. “We believe that through this contract we will continue to demonstrate the high efficacy and desired pharmacokinetics of this new class of antibiotics.”

“We are excited that DTRA has partnered with Affinium and shares our view that the inhibition of the fatty acid biosynthesis pathway presents a unique opportunity to develop safe and potent oral antibiotics which can be administered to patients both inside and outside of the hospital environment”, said Owen Roberts, Chief Financial Officer of Affinium.

Under the contract, Affinium will investigate the properties of a select group of its proprietary compounds. Following these initial investigations, Affinium and its partners will conduct microdosing studies to characterize the compounds' human pharmacokinetic properties and select a lead development candidate to undergo IND-enabling preclinical development as an oral tularemia therapeutic.

About Affinium Pharmaceuticals, Inc.

Affinium Pharmaceuticals, Inc. is a pharmaceutical company focused on the discovery, development and commercialization of novel anti-infective medicines stemming from the bacterial fatty acid synthesis (FAS) II pathway. Affinium's lead clinical development compound is a highly potent small molecule antibiotic for both oral and IV treatment of staphylococcal infections including drug-resistant MRSA. This development candidate is scheduled for Phase I clinical trials in the second half of 2007. Additionally, Affinium utilizes its unique proprietary compounds and its knowledge of fatty acid biosynthesis enzymes to develop additional novel antibiotics to address a variety of therapeutic needs. For more information about Affinium please contact Owen Roberts, CFO at 416-645-6613 or oroberts@afnm.com.