



The Bruckner Group, Inc.

STRATEGY & RESEARCH FOR THE PHARMACEUTICAL INDUSTRY

Phage Biotechnology Corp. Engages The Bruckner Group To Find A Joint Commercialization Partner For Phage's Portfolio Of Recombinant Protein Biopharmaceuticals, Technologies, and Development Platforms

This nine-figure revenue opportunity should attract companies considering a Biogen Idec transaction

Wakefield, MA., November 6, 2007. The Bruckner Group is pleased to announce that Phage Biotechnology Corp. ("Phage") has engaged The Bruckner Group to find a partner to jointly commercialize Phage's portfolio of recombinant biological therapies, the products of Phage's development platforms and technologies. The Phage portfolio includes ten innovative and standard-of-care recombinant proteins, including pegylated human growth hormone, pegylated G-CSF, pegylated interferon alpha, beta interferon, and single-chain antibodies (which will compete with monoclonal antibodies). Phage anticipates its portfolio will produce a revenue stream in the moderate nine-figure range within four years, and a medium to high ten-figure range eventually. Phage's development platforms include a single-chain antibody development platform, a new proprietary pegylation technology, and a new recombinant protein manufacturing process that avoids existing protein process manufacturing patents.

"The recent announcement that Biogen Idec has put itself up for sale brings forward a tremendous opportunity," said David Balekdjian, Partner, The Bruckner Group. "Any of the companies that are considering a transaction with Biogen Idec, which reportedly include Pfizer, GlaxoSmithKline, Merck, Sanofi-Aventis, Novartis, Johnson & Johnson, Wyeth, AstraZeneca, and Abbott Laboratories, would do well to take a very close look at Phage."

David Balekdjian continued, "For a small fraction of the \$22+ billion that a Biogen Idec transaction will necessitate, someone can gain access to and leverage Phage's extremely significant development platforms and technologies, and the resulting portfolio. Phage believes its portfolio of recombinant proteins and single chain antibodies will produce a significant revenue stream within four years, and eventually produce a revenue stream in multiples of Biogen Idec's. The Phage portfolio includes a considerably more cost-effective beta interferon product comparable to Avonex."

Phage's development platforms and technologies include the following:

1. Innovative recombinant protein therapies. Phage is developing a portfolio of innovative recombinant therapies and "bio-betters". Working with molecules whose patents have expired, Phage is enhancing native proteins with its proprietary pegylation technology to produce new longer-acting and potentially more effective treatments. Leveraging all of its technologies, Phage's innovative protein therapies will offer significant improvements to standard of care treatments while being considerably more cost-effective. These include new treatments for growth hormone deficiency, anemia, hemophilia, multiple sclerosis, and other diseases.

2. Standard-of-care recombinant protein therapies. Phage is developing a portfolio of standard-of-care recombinant protein therapies. By utilizing its proprietary, cost-effective manufacturing process, Phage is bringing to market more cost-effective treatments for a variety of diseases. The portfolio includes Phage's own G-CSF, pegylated interferon alpha, interferon beta, human growth hormone, and others.
3. A new, proprietary pegylation technology. Phage, in collaboration with BiopolyMed Ltd., controls a new third pegylation pathway for pegylating recombinant proteins. By pegylating to a native protein without altering its structure, the Phage pegylation technology significantly increases the protein's bioavailability while reducing the chances of an adverse immune system response that compromises safety, efficacy, compliance, and patient outcomes.
4. A proprietary, vastly more efficient intracellular microbial protein manufacturing process that avoids existing manufacturing process patents, reduces capital costs, and transforms the economics of manufacturing. Phage has developed a manufacturing platform that utilizes bacteriophage in the manufacturing process to produce recombinant protein therapies. The phage process completely avoids existing plasmid manufacturing process patents, which have often been major competitive barriers. Additionally, the process reduces capital needs significantly by avoiding any protein re-folding steps, leading to shorter manufacturing run times. Collectively, these attributes are likely to transform the economics of recombinant protein manufacturing, and have major competitive implications.
5. Single-chain antibody therapies. Phage is developing a portfolio of single-chain antibody therapies. These therapies will produce considerably lower-cost alternatives to monoclonal antibody treatments for rheumatoid arthritis, psoriasis, oncology, and autoimmune diseases. The phage manufacturing process can efficiently produce correctly folded single chain antibody products, and the company is exploring extending its proprietary pegylation technology to these antibodies to produce longer-acting products.

According to Daniel Montano, Phage's CEO, "We are pleased to be working with The Bruckner Group on commercializing the Phage development platforms, technology, and resulting product portfolio. While Phage had the option to work with traditional investment bankers, we chose to instead work with The Bruckner Group because of their industry-leading expertise in healthcare value strategy. Healthcare systems around the world are straining to meet the needs of a growing number of patients using very expensive biological therapies. Phage believes that by bringing forward cost-effective new innovative treatments and standard-of-care therapies for many diseases, Phage will play a major role worldwide in reducing this strain. This will make Phage a significant competitive force for years to come," Montano said.

David Balekdjian made the following comments regarding the Phage opportunity. "All big pharma companies are seeking to become major players in biologicals. However, whereas biologicals in the past had much lower healthcare value scrutinization from payers, those days are clearly over. The same sort of pharmacoeconomic assessments payers have been aggressively making with traditional pharmaceuticals in recent years are now being made with biological therapies. And whereas in the past monoclonal antibodies and treatments for cancer were largely left alone by payers, that's also a thing of the past," Balekdjian said.

“With this backdrop,” Balekdjian continued, “the Phage opportunity looks especially significant. Phage’s portfolio of technologies will bring unique healthcare value to an area—biologicals—where healthcare value has been considerably lacking and is far less than payers’ stated needs. Due to the unique nature and strength of Phage’s delivery platforms, technology, and research infrastructure—which are producing a portfolio of innovative biological therapies, single-chain antibody treatments, and standard-of-care biological treatments—Phage will likely be one of the major biotechnology companies in the coming years.”

For more information about the Phage opportunity, please contact David Balekdjian of The Bruckner Group at (781) 245-4454.

About Phage Biotechnology Corporation: Phage (www.phagebiotech.com) owns a portfolio of technologies and products to produce innovative and standard-of-care recombinant protein therapies.

About The Bruckner Group (BGI): The Bruckner Group (www.brucknergroupp.com) is a strategy consulting company that works with executives at pharmaceutical and biotechnology companies. BGI is the pioneer and leading expert in healthcare value strategy.