Jennerex and Transgene Announce First Patient Treated In Phase 2 Clinical Trial of Intravenous Delivery of JX594/TG6006 In Patients with Advanced Liver Cancer

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San Francisco, USA, and Strasbourg, France, July 25, 2012 – Jennerex Biotherapeutics, Inc., a private clinical-stage biotherapeutics company focused on the design, development and commercialization of first-in-class targeted oncolytic products for cancer, and Transgene SA (Euronext Paris: FR0005175080) today announced that the first patient has been treated in a Phase 2 clinical trial of intravenous treatment with JX594/TG6006 for patients with advanced hepatocellular carcinoma (HCC), or liver cancer, who have not received treatment with sorafenib—the current standard of care for this patient population. This trial expands the clinical program of JX594/TG6006 in HCC, which is currently being evaluated in a multi-national Phase 2b trial (TRAVERSE) in patients with advanced HCC who have failed prior sorafenib.

The new Phase 2 trial is a multinational, single-arm, open-label study of JX594/TG6006 administered weekly by intravenous infusions in sorafenib-naïve patients with advanced HCC. The primary objective of the study is to determine the radiographic response rate based on modified RECIST and modified Choi criteria. Patients will subsequently be followed for progression-free survival and overall survival. The trial is being conducted at sites in South Korea, the United States, and Europe. For more information about this trial as well as the Phase 2b TRAVERSE trial, please visit www.clinicaltrials.gov.

"*We are pleased to announce the treatment of the first patient in this trial*", stated Philippe Archinard, Chairman and Chief Executive Officer of Transgene. He added: "*This study complements our broad Phase 2 clinical trials program. The repeated intravenous administration schedule used in this study will allow us to further assess the safety and anti-tumoral activity of systemic JX594/TG6006 treatment. In the long term, this might help position the product beyond HCC indications in metastatic diseases, for which systemic treatment modalities are most likely required*".

JX594/TG6006: A Multi-Mechanistic Approach To Targeting Cancer:

JX594/TG6006 is a proprietary, engineered oncolytic immunotherapy designed to selectively target and destroy cancer cells through three diverse mechanisms of action: 1) the lysis of cancer cells through viral replication, 2) the shutdown of the blood supply to tumors through vascular targeting and destruction, and 3) the stimulation of the body's immune response against cancer cells, i.e., active immunotherapy. Phase 1 and Phase 2 clinical trials in multiple cancer types to date have shown thatJX594/TG6006, delivered either directly into tumors or intravenously, induces tumor shrinkage and/or necrosis and is well-tolerated by patients (over 130 treated to date). Objective tumor responses have been demonstrated in a variety of cancers including liver, colon, kidney, lung cancer and melanoma. JX594/TG6006 has had a favorable safety profile to date with predictable and generally mild side effects that typically include flu-like symptoms that resolve in 24 to 48 hours.

Hepatocellular Carcinoma: A Global Unmet Need:

Hepatocellular carcinoma is the fifth most common cancer worldwide and the third leading cause of cancer death, with over 600,000 new cases diagnosed annually resulting in more than 90 percent mortality. The annual incidence rate in the U.S., Europe, Japan and China are estimated to be 20,000, 55,000, 40,000 and 350,000 patients, respectively.

About Jennerex:

Jennerex, Inc. is a clinical-stage biotherapeutics company focused on the development and commercialization of first-in-class, breakthrough targeted oncolytic immunotherapy products for cancer. The Company's lead product JX-594 is currently in an international, randomized Phase 2b clinical trial (TRAVERSE) in patients with advanced primary liver cancer who have failed sorafenib therapy. In addition, JX-594 is being tested in the same patient population in combination with sorafenib. JX-594 is also in a Phase 1 clinical trial in patients with treatment-refractory colorectal cancer. Published studies designed to establish optimal dose levels and the safety profile of JX-594 have shown its ability to selectively target and cause destruction of a variety of common solid tumor types and trigger a potent immune response. JX-594 and other product candidates under development are designed to attack cancer tumors through three diverse mechanisms of action: the lysis of cancer cells through targeted viral replication, the ablation of the blood supply to tumors through vascular targeting and destruction and the stimulation of the body's immune response against the cancer. Jennerex is headquartered in San Francisco and has related research and development operations in Ottawa, Canada and Busan, South Korea. For more information about Jennerex, please visit www.jennerex.com.

About Transgene SA:

Transgene SA, a member of the Institut Mérieux Group, is a publicly traded French biopharmaceutical company dedicated to the development of therapeutic vaccines and immunotherapeutic products in oncology and infectious diseases and has four compounds in Phase 2 clinical development: TG4010, JX594/TG6006, TG4001 and TG4040. Transgene has concluded strategic agreements for the development of two of its immunotherapy products: an option agreement with Novartis for the development of TG4010 to treat various cancers and an in-licensing agreement with US-based Jennerex, Inc. to develop and market JX594/TG6006, an oncolytic virus. Transgene has bio-manufacturing capacities for viral-based products. Additional information about Transgene is available at www.transgene.fr.

Disclaimer:

This press release contains certain forward-looking statements. Although the company believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated. In particular, the Company's ability to commercialize its first product depends on the continuing success of clinical studies, ongoing financing for further product developments and marketing launch, a positive response from the medical community regarding the product's costs and effectiveness. For a discussion of risks and uncertainties which could cause the company's actual results, financial condition, performance or achievements to differ from those contained in the forward-looking statements, please refer to the Risk Factors ("Facteurs de Risque") section of the Document de Reference prospectus, which is available on the AMF website (http://www.amf-france.org) or on Transgene's website (www.transgene.fr). This press release and the information contained herein do not constitute an offer to sell or a solicitation of an offer to buy or subscribe to shares in Transgene in any country.

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