

PRESS RELEASE

VGX Pharmaceuticals Receives A Second NIH Phase I SBIR Grant

PHILADELPHIA, August 27, 2003 – VGX Pharmaceuticals today announced that the Company has been awarded a Phase I Small Business Innovation Research (SBIR) grant from the National Institutes of Health (NIH). The award of \$99,940 will support development of a Gene Therapy Approach to treat Toxin Induced Sepsis.

VGX Pharmaceuticals is actively engaged in developing a novel class of drugs for the treatment of HIV, cancer, and inflammatory diseases. VGX Pharmaceuticals' particular focus on viral genes, their protein products and human cellular targets provides a platform for the development of potent therapeutics whose mode of action directly impact critical cell functions. VGX Pharmaceuticals' drug discovery and development expertise includes cell and molecular biology, biochemistry, structural biology, chemistry, virology, pathology and pharmacology.

For further information please contact:

VGX Pharmaceuticals

Ernest Shin, VP

3701 Market St., 4th Floor

Philadelphia, PA 19104

PH 215.966.6176

E: shine@vgxp.com