



TargeGen Initiates Phase I Clinical Trial Of Topical AMD Drug TG100801

San Diego, CA – November 1, 2006 - TargeGen, Inc. has announced that the Company has initiated a single site Phase I clinical trial involving TG100801, a small molecule, topically applied multi-targeted kinase inhibitor for the treatment of macular degeneration and other debilitating diseases of the eye. Macular degeneration is the leading cause of blindness in adults. The trial, involving approximately 45 subjects, is expected to be completed by the end of the first quarter of 2007. The Company hopes to initiate Phase II studies with TG100801 in mid 2007.

TG100801, applied daily in eye drop form, is designed to suppress disease-related edema, angiogenesis and inflammation. Edema, angiogenesis and inflammation are pathological hallmarks of macular degeneration, diabetic macular edema and proliferative diabetic retinopathy. Currently approved therapies for macular degeneration require repeated injection into the eye and typically act on only VEGF-mediated retinal leakage. TargeGen believes that TG100801 may offer equal or superior efficacy to injectable agents, while offering patients the greater convenience and potential safety advantages of non-invasive delivery. TG100801 is the second internally discovered TargeGen compound to enter clinical trials. TG100-115 is currently in Phase I/II evaluation in heart attack patients. In published preclinical testing conducted by leading outside retinal disease experts, TG100801 demonstrated the ability to reduce VEGF-mediated retinal leakage, angiogenesis and inflammation after topical instillation.

“The initiation of our second clinical trial with an internally discovered compound represents a significant milestone for TargeGen” stated Peter G. Ulrich, President, CEO and Co-Founder of TargeGen. “We believe that TG100801 represents a potential paradigm shift in the treatment of AMD and other leading causes of adult blindness. While non-invasive delivery represents a potential major step forward in the treatment of AMD, we believe TG100801 also has the potential to offer superior efficacy by virtue of its more comprehensive mechanism of action, which goes beyond VEGF-mediated retinal leakage.”

About TargeGen, Inc.

TargeGen, Inc. is a privately held vascular biology-focused biopharmaceutical company based in San Diego, CA. TargeGen is developing novel small molecule therapeutics to treat certain diseases involving vascular leakage, vascular proliferation, inflammation, and hematological malignancies by targeting certain biochemical processes associated with the formation and repair of blood vessels and vascular permeability (edema).

TargeGen, which initiated operations in 2002, has raised more than \$70M from top tier venture capital sources.

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