

FOR IMMEDIATE RELEASE

**ImQuest Pharmaceuticals Receives Grant from International Partnership
for Microbicides to Develop Novel Microbicide**

Frederick, MD. February xx, 2007 – ImQuest Pharmaceuticals, Inc. announced today the award of a development grant from the International Partnership for Microbicides (IPM) for the advanced preclinical evaluation of the pyrimidinediones for use as topical microbicides. The grant will support evaluation of the ability of three highly potent compounds to inhibit the transmission of HIV to women.

Preclinical studies will be performed by ImQuest BioSciences, the research and development arm of ImQuest Pharmaceuticals, and will evaluate the ability of the pyrimidinediones to prevent the infection of target cells in the vaginal environment. Preliminary studies designed to evaluate safety and formulation of these drugs will also be conducted. Upon successful completion of these initial studies, ImQuest will further evaluate the safety of the compounds in preparation for filing an Investigational New Drug application with the Food and Drug Administration.

These drugs, called pyrimidinediones, inhibit both the entry of HIV into target cells and the critical step of reverse transcription within the cell, acting at sub-nanomolar concentrations. The microbicide development efforts form an important component of the strategic drug development alliance between ImQuest and Samjin Pharmaceuticals, from whom ImQuest licensed the pyrimidinedione series of inhibitors. ImQuest is developing another member of the pyrimidinedione class of molecules as an anti-HIV therapeutic drug with clinical trials expected to start in late 2007.

“We believe that the unique dual inhibitory mechanism of action of the pyrimidinediones will render them highly effective microbicides to prevent the sexual transmission of HIV”, said Dr. Robert W. Buckheit, Jr., President and Chief Scientific Officer of ImQuest BioSciences. “We are extremely pleased to benefit from IPM’s extensive experience and expertise in the development of vaginal microbicides as we begin the clinical development of these agents.”

“With an estimated 14,000 new HIV infections each day, there is an urgent need to provide at-risk women with HIV-prevention strategies,” said Joseph Romano, IPM’s Executive Director for Research and Development. “We are glad that ImQuest shares our commitment to expanding the pipeline of microbicide candidates and pleased to support their efforts to bring women a safe and effective microbicide as quickly as possible.”

ImQuest Pharmaceuticals, a privately held U.S. company located in Frederick, Maryland specializes in early stage drug development of novel compounds for

the treatment of infectious disease and cancer. **Samjin Pharmaceutical Co.**, a publicly held company listed on the Korean Stock Exchange, is one of the leading pharmaceutical companies in Korea with projected sales for 2005 estimated at 120 Million USD. **ImQuest BioSciences**, also located in Frederick, Maryland, is a leading provider of anti-infective and anti-cancer drug and vaccine development services to the biotechnology and pharmaceutical industry.

The **International Partnership for Microbicides** was established in 2002 to accelerate the development and accessibility of microbicides to prevent the transmission of HIV in women. By screening compounds, designing optimal formulations, establishing manufacturing capacity, developing trial sites and conducting clinical trials, the organization works to improve the efficiency of all efforts to develop and deliver safe and effective microbicides as soon as possible.

For further information regarding this press release please contact:

Robert W. Buckheit, Jr., Ph.D.
President and Chief Scientific Officer
ImQuest BioSciences, Inc.
301-696-0274
rbuckheit@imquest.com

Jerry D. Cartright
Chief Executive Officer
ImQuest Pharmaceuticals., Inc.
301-696-0274
jcartright@imquest.com