CHIMERIX

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Chimerix Awarded NIH Grant

SAN DIEGO, CA, March 11, 2004 - Chimerix Inc., a biotechnology company developing orally available, targeted medicines for the treatment of smallpox, multi-drug resistant HIV and hepatitis virus infections, today announced that it has been awarded a Phase I Small Business Innovation Research (SBIR) grant under the Advanced Technology Program of the U.S. National Institute of Allergy and Infectious Diseases (NIAID) of the National Institutes of Health (NIH). The SBIR Advanced Technology Program at NIAID is designed to provide support for the research and development of new disease treatments that have the potential to succeed as commercial products. Chimerix will use the two year, $600,000 grant to support preclinical development of drug candidates for the treatment of multi-drug resistant HIV-1 infection.

"Multi-drug resistant HIV infection is an increasing medical concern, as a significant number of AIDS patients harbor an HIV virus resistant to currently approved anti-retroviral drugs," said George Painter, Ph.D., President and CEO of Chimerix. "New classes of anti-retroviral drugs are needed to combat these drug-resistant HIV strains. Chimerix's technology offers a new approach to the development of orally available, low toxicity HIV drugs, and we are pleased to receive this funding from NIAID to advance our HIV program."

Chimerix's multi-drug resistant HIV-1 infection drug candidates are derivatives of Phosphonoformic acid (PFA), a broad-spectrum antiviral drug that has been shown to inhibit HIV-1 reverse transcriptase through a different mechanism than currently available reverse transcriptase inhibitors. PFA has not previously been developed for treatment of HIV infection due to modest potency, poor oral availability and toxicity resulting from the high plasma levels required to achieve antiviral activity. By modifying PFA with proprietary chemistry, Chimerix has created potent, orally available drug candidates that inhibit drug-resistant strains of HIV.

Chimerix uses proprietary chemistry to modify drugs so that the resulting molecules mimic natural lipid metabolites. The "Chimerix" molecules (half drug / half carrier) are absorbed from the intestine intact, and distributed throughout the body utilizing natural processes for the uptake and distribution of lipids. Once internalized by cells in tissues the lipid carrier portions of the molecules are released through the action of enzymes involved in cellular lipid metabolism.

About Chimerix

Chimerix Inc. is a privately held biotechnology company creating and developing orally available medicines from bioactive molecules. Application of Chimerix's proprietary technology enhances oral availability, stabilizes drug in plasma, and facilitates the delivery of drugs into targeted tissues. Known drugs can be modified to improve dosing parameters, broaden therapeutic applications and decrease the risk of adverse reactions. Chimerix is applying its technology towards discovery and development of oral drugs for the treatment of smallpox, drug-resistant HIV infection and viral hepatitis. Chimerix was founded in 2002 with investment funding from Sanderling Ventures and Asset Management. The company is headquartered in San Diego, CA, with offices in Research Triangle Park, NC.

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