



News Release

Taligen Therapeutics Announces Successful Achievement of Series A Milestone

Aurora, Colorado – August 1, 2006. Taligen Therapeutics, Inc. announced today that it has successfully attained the development milestone required to trigger the funding of the second tranche of its Series A Preferred Stock financing. The financing, totaling \$3.75M, initially closed in August 2005 and was led by Sanderling Ventures of San Mateo, California with the participation of Tango and High Country Venture of Boulder, Colorado and University of Colorado through University License Equity Holdings, Inc..

The Company achieved the milestone by demonstrating *in vivo* efficacy of a humanized version of Taligen's lead compound, TA106. After achieving this breakthrough, the Company is initiating manufacturing of the humanized TA106 to produce materials required to gather the necessary data to support the Company's IND filing.

"Achievement of this milestone not only strengthens our data package, but it allows us to continue to move forward towards filing an IND" said Woodruff Emlen, MD, CEO and President of Taligen. "This significant step toward the clinic validates the early promise we recognized in the Company when we made our investment" said Timothy Mills, PhD, Chairman of the Board of Taligen and Managing Director at Sanderling Ventures. "We are excited about Taligen's technology and pleased with the progress they have made."

About Taligen: Founded in 2004, Taligen Therapeutics, Inc. is a development-stage biotechnology company with novel technology and expertise focused on modulation and control of the complement system. The complement system is a critical component in the initiation of inflammation. Complement system activation is a characteristic of many human diseases, including asthma, rheumatoid arthritis, macular degeneration and immune renal disease.

Taligen's lead product candidate, TA106, is a fragment of a monoclonal antibody which targets a critical regulator of complement activation. The Company's initial development indication for an inhaled version of TA106 is the treatment of severe, persistent asthma. The Company expects to file an IND for this product in 2007. The Company is also initiating development of TA106 for other indications.

The Company was founded by Drs. Woodruff Emlen and V. Michael Holers based on technology and intellectual property predominantly from the University of Colorado at Denver and Health Sciences Center (UCDHSC) and partnering institutions. Dr. Emlen is a former Professor of Medicine and Immunology at UCDHSC with 10 years experience in Biotechnology. He was a member of the original senior management team at InterMune Pharmaceuticals. Dr. Holers is an internationally recognized expert in complement biology who has focused the past 10 years of his research on applications of complement inhibition to disease. He is currently Professor of Medicine and Immunology at UCDHSC and Chairman of the Division of Rheumatology.

This press release contains forward-looking statements that involve risks and uncertainties, including statements relating to filing an IND for TA106 and potential advantages of the Company's technology. Actual results could differ materially from those projected and the Company cautions readers not to place undue reliance on the forward-looking statements contained in this release.

For Further Information, Contact:
Woodruff Emlen MD
CEO, Taligen Therapeutics
wemlen@taligetherapeutics.com
303 638-1604 (cell)