FOR IMMEDIATE RELEASE

Contact:
Thomas A. Collet
President and CEO
Phrixus Pharmaceuticals, Inc.
+1 (734) 926-0966 ext. 12
thomas.collet@phrixuspharmaceuticals.com

PHRIXUS PHARMACEUTICALS, INC. ANNOUNCES $623,000 IN NIH FUNDING FOR ITS PROGRAM IN DUCHENNE MUSCULAR DYSTROPHY

Award to fund IND-enabling pre-clinical studies for subcutaneous delivery of Carmeseal™ in Duchenne muscular dystrophy

ANN ARBOR, Mich. (May 21 2012) – Phrixus Pharmaceuticals, Inc., a clinical-stage, specialty pharmaceutical company focused on innovative therapies for Duchenne muscular dystrophy (DMD) and heart failure, today announced that it has received an SBIR Phase 1 award for $623,000 from the National Institutes of Health (NIH) for its grant application titled "Treatment of Muscular Dystrophy-Associated Dilated Cardiomyopathy with P-188."

"This funding constitutes validation for the potential utility of Carmeseal in DMD. We expect that it will allow us to extend administration of Carmeseal to a new, clinically relevant route of administration, subcutaneous delivery," said Thomas A. Collet, president and CEO. "Completion of the work funded by this grant will significantly advance our knowledge of how to best turn Carmeseal into a chronic therapy suitable for daily administration," adds Dr. Bruce Markham, Vice President of Research and Chief Scientific Officer.

DMD is the most devastating of the muscular dystrophies. No drug is approved for its treatment. It is a genetic disease that affects about one out of every 3,500 boys. Approximately 20,000 boys and young men live with this disease in the United States. The hallmarks of DMD are skeletal muscle weakness, respiratory distress, and cardiomyopathy. It is a degenerative disease that leads to premature death.

Heart failure occurs when the heart is unable to pump enough blood around the body. It affects five million Americans and costs the health care system $37 billion annually according to the American Heart Association. Acute Decompensated Heart Failure (ADHF) is the most severe form of heart failure. It causes one million hospitalizations each year.

About Carmeseal™

Carmeseal, generically known as poloxamer 188 (P-188), has been shown to boost the blood pumping capacity of damaged hearts. When Carmeseal, which appears to act as a molecular bandaid, is infused into the bloodstream, it encounters and binds to microscopic tears in the heart muscle. This may prevent the pathological leak of calcium into the heart cells, which could cause calcium overload and keep the heart from delivering sufficient oxygenation to the vital organs. Carmeseal, which has been shown to be effective in four animal models of DMD and heart failure, is expected to have its effect in patients with DMD irrespective of the genetic defect that causes the disease.

- more -

About Phrixus Pharmaceuticals, Inc.
Phrixus Pharmaceuticals is developing Carmeseal for DMD and for acute decompensated heart failure. For more information about Phrixus Pharmaceuticals, please visit www.phrixuspharmaceuticals.com.

Phrixus Pharmaceuticals, Inc. Forward-Looking Statement Disclaimer
This announcement may contain, in addition to historical information, certain forward-looking statements that involve risks and uncertainties. Such statements reflect management's current views and are based on certain assumptions. Actual results could differ materially from those currently anticipated as a result of a number of factors. The company is developing several products for potential future marketing. There can be no assurance that such development efforts will succeed, that such products will receive required regulatory clearance or that, even if such regulatory clearance were received, such products would ultimately achieve commercial success.

###