FOR IMMEDIATE RELEASE

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PHRIXUS PHARMACEUTICALS, INC. ANNOUNCES FUNDING BY DUCHENNEDASHBOARD, LED BY COALITION DUCHENNE, FOR PRECLINICAL STUDIES

Funding extends scope of respiratory studies funded by NIH to cardiac and skeletal (limb) muscle

ANN ARBOR, Mich. (July 19 2012) – Phrixus Pharmaceuticals, Inc., a specialty pharmaceutical company focused on innovative therapies for Duchenne muscular dystrophy (DMD) and heart failure, today announced that it has received $67,374 in sponsored research funding from a number of DMD parent organization through the DuchenneDashboard. This funding will allow Phrixus to extend its recent finding that Carmeseal™, its lead product candidate, can be delivered subcutaneously at very low dose to treat respiratory aspects of DMD to cardiac indications as well. Phrixus and its collaborators had previously demonstrated that Carmeseal is effective in pre-clinical cardiac models after intravenous delivery.

"We are excited to be collaborating with Cath Jayasuriya, Founder and President of Coalition Duchenne, and the other parent organizations through the DuchenneDashboard. The Dashboard provides an optimal way for us to engage with parents and to fund this important development work," said Thomas A. Collet, president and CEO. The organizations that contributed through the DuchenneDashboard were: Coalition Duchenne, Hope for Gus, JB Keys, Jett Foundation, Michael's Cause, Ryan's Quest, Suneel's Light, Team Joseph, Two Smiles One Hope and the Zack Heger Foundation.

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.

About Carmeseal™

Carmeseal, generically known as poloxamer 188 (P-188), has been shown to improve the efficiency of damaged hearts to pump blood and to improve the performance of damaged diaphragms. When Carmeseal, which acts as a molecular band-aid, is infused into the bloodstream, it encounters and binds to microscopic tears in the muscle. This prevents the pathological leak of calcium into the cells, which causes calcium overload and keeps the muscle from performing as required. 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.

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About Coalition Duchenne
The mission of Coalition Duchenne is to raise global awareness and funding for Duchenne muscular dystrophy, to fund research and to find a cure for Duchenne. Coalition Duchenne's vision is to bring together not just the world's Duchenne organizations, but everyone, in a quest to raise global awareness and to find a cure for the disease. For more information, please visit www.coalitionduchenne.org.

About the Duchenne Alliance and the Duchenne Dashboard
Members of the international Duchenne Alliance collaborate through the DuchenneDashboard to advance the most promising biomedical research.

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.

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