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FOR IMMEDIATE RELEASE

**INSERT THERAPEUTICS REPORTS *IN VIVO* PERFORMANCE
OF DRUG DELIVERY PLATFORM
ASSEMBLED WITH A NUCLEIC ACID**

*Preclinical results demonstrate successful targeted, intracellular drug delivery –
the key for nucleic acid therapy*

PASADENA, CA – June 24, 2003 – **Insert Therapeutics, Inc.** reported that its Senior Scientist Dr. Suzie Hwang Pun presented data on the company's proprietary CycloSert™ drug delivery technology at the sixth annual meeting of the Society of Gene Therapy in Washington D.C., June 4-6, 2003. Insert's CycloSert drug delivery technology presents the unique potential for targeted intracellular systemic delivery of nucleic acids, including plasmid DNA, RNA and oligonucleotides such as siRNA, DNAzymes and ribozymes.

Dr. Pun presented preclinical data demonstrating that Insert's CycloSert nonviral delivery technology could be modified with the addition of transferrin ligands to achieve targeted delivery and expression of the p53 tumor suppressor gene in tumor cells. The p53 gene, which leads to cell death in cancerous cells when properly functioning, has been found to be mutated and nonfunctioning in over half of all known cancers. The choice of transferrin as a targeting agent was based on the observation that the transferrin receptor is up-regulated on the surface of many tumor cells.

The studies reported by Dr. Pun were conducted as part of a research collaboration with San Diego-based Canji, Inc., a subsidiary of Schering-Plough Corporation. Study results indicate that unmodified CycloSert/p53 polyplexes and CycloSert/p53 polyplexes modified to include the transferrin targeting ligand delivered similar levels of p53 DNA to tumor cells of tumor-bearing mice following systemic administration. However, expression of the gene, as measured by p53 mRNA, was only detected in tumor cells of those animals treated with transferrin-modified CycloSert. This indicates that targeting plays a significant role in the intracellular delivery and expression of therapeutic genes administered systemically using nonviral delivery systems.

"Targeted delivery of systemic therapeutics using components that recognize and bind to specific cell or tissue types has the potential to be a significant advance in treating cancer and other diseases throughout the body," said Dr. Pun. "The results of these preclinical studies, together with other studies conducted at Insert, demonstrate CycloSert's potential for targeted delivery of genes. These results are expected to extend to the delivery of other nucleic acids, including RNA, siRNA, DNAzymes, ribozymes and chimeric oligonucleotides."

CycloSert Technology

Insert's patented drug delivery platform is based on small cyclic repeating molecules of glucose called cyclodextrins. Insert has developed modified cyclodextrins as building blocks of an entirely new proprietary class of materials, linear cyclodextrin-containing polymers, which Insert calls its "CycloSert" technology. Animal studies have confirmed that CycloSert polymers are

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INSERT THERAPEUTICS, INC. REPORTS *IN VIVO* PERFORMANCE OF EXCLUSIVE DRUG DELIVERY PLATFORM ASSEMBLED WITH A NUCLEIC ACID

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nontoxic and nonimmunogenic, even after repeated administration. In addition to facilitating the targeted delivery of nucleic acids, Insert has conjugated Cyclosert with small-molecule anti-cancer agents, resulting in significant improvement in the solubility, stability, *in vitro* toxicity, *in vivo* efficacy and pharmacokinetic characteristics of the compounds.

“We believe that Cyclosert provides unparalleled flexibility to design and create new customized polymer drug products that address specific drug delivery challenges and therapy requirements of small molecules and nucleic acids,” said Leonard Borrmann, Pharm.D., President and Chief Executive Officer of Insert Therapeutics. “The positive preliminary results of our program with Canji for the targeted delivery of therapeutic genes to cancer cells *in vivo* are indicative of the potential for Cyclosert.”

CANJI, INC.

Canji, Inc. is a biotechnology company engaged in the development of innovative therapeutics based on tumor suppressor genes, cell-cycle regulators and growth modulators. The company's initial research efforts are focused on the two best-characterized tumor suppressor genes, p53 and RB, and on identifying efficient, reproducible gene delivery systems. Canji is a wholly owned subsidiary of Schering-Plough Corporation (NYSE: SGP) of Kenilworth, N.J., a research-based company engaged in the discovery, development, manufacturing and marketing of pharmaceutical products worldwide.

INSERT THERAPEUTICS, INC.

Insert Therapeutics, Inc., a privately held biopharmaceutical delivery company, is using its proprietary and entirely new polymeric delivery system, Cyclosert™, to design, develop and commercialize drug-delivery-enhanced small-molecule therapeutics and nucleic acids. Cyclosert uses cyclodextrins as building blocks to create an entirely new class of drug delivery materials – linear cyclodextrin-containing polymers that are nontoxic and nonimmunogenic at therapeutic doses. The company is pursuing this goal through its internal research and development and also through collaborations and partnerships with pharmaceutical and biotechnology companies. For more information, visit www.insertt.com.

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