

Press Release

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Magellan BioScience Group, Inc. and Memorial Sloan-Kettering Cancer Center Establish Drug Discovery Collaboration

Saint Petersburg, FL (09 January 2006) – Magellan BioScience Group, Inc. (Magellan), a pioneer in innovative drug discovery and development from marine microbial sources, today announced that they have entered into a multi year research agreement with the Experimental Therapeutics Center at Memorial Sloan-Kettering Cancer Center (MSKCC), to identify novel drug candidates in the areas of oncology and anti-infectives.

This collaboration will bring together Magellan's unique collection of marine-derived natural products as well as their natural product and medicinal chemistry expertise with MSKCC's high-throughput screening technologies and clinical research expertise. MSKCC will undertake the characterization of lead candidates from Magellan's collection using MSKCC's proprietary assays and will jointly optimize obtained leads towards drug candidates. In addition to its libraries, Magellan will also provide access to its various chemistry technologies, to stimulate and accelerate early discovery efforts. Terms were not disclosed.

"We are excited to initiate this drug discovery collaboration with Memorial Sloan-Kettering Cancer Center that will further validate our capabilities as a provider of novel small molecules and develop Magellan into a preferred First Class Drug Discovery Company," said Dr. Todd R. Daviau, CEO of Magellan. "The uniqueness of MSKCC's scientific and technological approach powered by their highly qualified and organized research team constitutes a significant opportunity for the discovery and development of new anti-cancer and anti-infective drugs.

"The screening of our novel extract collection and this collaboration with MSKCC will expand our capabilities in drug discovery and development" said Dr. John M. Cronan Jr., VP and CSO of Magellan. "The biochemical diversity contained in Magellan's natural product collection, offers effective alternatives to combinatorial derived compound collections. We look forward to an exciting and productive period of discovery with MKSCC."

David A. Scheinberg, MD, PhD, Chairman of the Experimental Therapeutics Center at MSKCC, said: "This collaboration with Magellan Biosciences gives us a unique opportunity to access marine natural products for screening and is an important part of our expanding initiative in drug discovery and development at MSKCC. Our goal remains the rapid progression of potential anticancer agents into the clinic." The Experimental Therapeutics Center at MSKCC promotes and facilitates the development of new cancer therapies through wide ranging multidisciplinary activities, from basic chemistry and biology to clinical investigations.

"Accessing this natural source from marine origin would greatly enhance our coverage of the chemical space through the introduction of novel and diverse chemical scaffolds to our existing corporate collection" commented Dr. Hakim Djaballah, Director of the HTS Core Facility at MSKCC. He added "we are very excited about this collaboration and we hope to discover biotools to help us better understand cancer biology and which in turn could be developed into novel small molecule therapeutics".

About Magellan:

Magellan BioScience Group, Inc., based in Saint Petersburg, Fla., is a privately held innovative biotechnology company focused on the discovery of novel classes of therapeutic candidates. Magellan is using its integrated platform technologies to isolate and identify new biologically active compounds. The company believes that its library of marine microbes will be the next source of drug discovery for the pharmaceutical industry. Magellan aims to develop and optimize drug candidates to treat cancer, infectious diseases, and inflammation. For additional information, please refer to the company's web site at www.magellanbioscience.com.

About MSKCC:

Memorial Sloan-Kettering Cancer Center, www.mskcc.org, is the world's oldest and largest institution devoted to prevention, patient care, research and education in cancer. Its scientists and clinicians generate innovative approaches to better understand, diagnose and treat cancer. Its specialists are leaders in biomedical research and in translating the latest research to advance the standard of cancer care worldwide.

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