RXi Pharmaceuticals Awarded NIH Grant to Advance RNAi Therapeutics

WORCESTER, Mass., Jul 13, 2010 (BUSINESS WIRE) – RXi Pharmaceuticals Corporation (Nasdaq: RXII), a recognized leader in RNAi-based therapeutic discovery and development, today announced that it was awarded an Advanced Technology Small Business Innovation Research (SBIR) grant by the National Institute of Allergy and Infectious Diseases (NIAID), part of the National Institutes of Health (NIH).

The grant will provide funding for pre-clinical development of RNAi therapeutics using RXi’s novel, proprietary therapeutic platform, which includes both novel RNAi compounds and advanced delivery technologies.

“We are honored to have received the financial support to further develop novel RNAi therapeutics using our comprehensive RNAi platform,” said Anastasia Khvorova, Ph.D., Chief Scientific Officer of RXi Pharmaceuticals. “This highly competitive grant underwent rigorous peer review by the NIH and recognizes the potential of RXi’s proprietary RNAi platform and our dedication to advancing novel RNAi therapeutics. The reviewers cited the significance of RXi’s proposal to human health, scientific innovation, capability of RXi’s team, and rigor of the proposed experimental approach.”

The NIAID SBIR grants are for advanced technology projects that require a longer award period and greater award amount than those routinely allowed under the SBIR program. “Advanced Technology” is defined by NIAID as a “clearly identified” product or service that requires approval of the Food and Drug Administration and is within the mission of NIAID. RXi was awarded approximately $300,000 per year for this 2 year Phase I grant with the first year being awarded for 2010, and the second year for 2011 subject to customary conditions. Additional funding of up to $1 million per year over a time period of up to 3 years may be requested for Phase II. The award number is R43AI091045.

About RXi Pharmaceuticals Corporation

RXi Pharmaceuticals is a recognized leader in RNAi-based therapeutic discovery and development with a comprehensive therapeutic platform that includes both RNA interference (RNAi) compounds and delivery methods. The company is leveraging this broad and integrated RNAi therapeutic platform to build a pipeline of RNAi therapeutics for the treatment of a number of disease areas, including its core focus of developing treatments for anti-scarring and retinal disorders as well as a continued interest in oncology and indications accessible by spinal cord delivery. RXi Pharmaceuticals believes it is well positioned to compete successfully in the RNAi therapeutics market based on the strength of its next generation therapeutic platform, experienced management team, accomplished Scientific Advisory Board, including Nobel Laureate, Dr. Craig Mello, and its broad intellectual property position in RNAi chemistry and delivery. http://www.rxipharma.com

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about future expectations, plan and future development of RXi Pharmaceutical Corporation’s products and technologies. These forward-looking statements about future expectations, plans and prospects of the development of RXi Pharmaceutical Corporation’s products and technologies involve significant risks, uncertainties and assumptions, including the risk that the development of our RNAi-based therapeutics may be delayed or may not proceed as planned and we may not be able to complete development of any RNAi-based product, the risk that the FDA approval process may be delayed for any drugs that we develop, risks related to development and commercialization of products by our competitors, risks related to our ability to control the timing and terms of collaborations with third parties and the possibility that other companies or organizations may assert patent rights that prevent us from developing our products. Actual results may differ materially from those RXi Pharmaceuticals Corporation contemplated by these forward-looking statements. RXi Pharmaceuticals Corporation does not undertake to update any of these forward-looking statements to reflect a change in its views or events or circumstances that occur after the date of this release.

SOURCE: RXi Pharmaceuticals Corporation