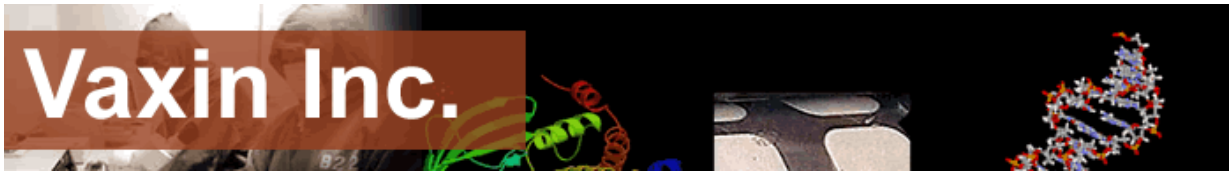

Contact:
Bill Enright
President & CEO
Phone: 205-909-3751
Email: enright@vaxin.com

VAXIN AWARDED NIH FUNDING FOR AVIAN FLU VACCINE DEVELOPMENT

$1.0 Million Grant to Fund Vaxin Collaboration with Auburn University and USDA

Birmingham, Alabama – September 10, 2008 – Vaxin, Inc., an emerging vaccine company, today announced that it has been awarded a $955,357 Small Business Innovation Research (SBIR) grant from the National Institutes of Health (NIH) to support the ongoing development of the Company's novel avian influenza vaccine.

"The U.S. government's strong support for Vaxin's avian flu vaccine program emphasizes the need for new technologies and further validates our earlier clinical studies," said Bill Enright, President and Chief Executive Officer of Vaxin. "The emergence of highly pathogenic avian influenza viruses is a significant threat to public health and this funding will expedite development of Vaxin's novel vaccine program dedicated to addressing this potential global health crisis."

Vaxin is pursuing two paths in the development of its next-generation vaccine technology. The first is a needle-free, single-dose vaccine to protect humans in the general population. In parallel, the Company is also developing a method to quickly and easily mass-vaccinate domesticated poultry for preventing the spread of the disease and protecting this vital segment of the food industry.

"The key to preventing a human pandemic is to effectively and efficiently vaccinate poultry, eliminating the risk of infection through poultry-to-human transmission," said Dr. De-chu Tang, Vaxin's founder and inventor of the Company's proprietary vaccine technology. "We are confident our technology will provide an important weapon in the fight against avian influenza."

The SBIR grant announced today will fund further research into the safety and efficacy of Vaxin's avian influenza vaccine in birds. Vaxin's technology has been designed to allow vaccination *in ovo* (in the egg) without damaging the developing embryo, a limitation of currently available avian influenza vaccines. This research is part of a close collaboration between Vaxin, Dr. Haroldo Toro at Auburn University in Auburn, Alabama and Dr. David Suarez of the United States Department of Agriculture's Southeastern Poultry Lab in Athens, Georgia.

Findings from this research will also be used to broaden the application of the Company's technology to the future development of *in ovo* vaccines against other serious and life-threatening diseases.

Dr. Kent Van Kampen, Vaxin's Chief Operating Officer commented, "Our vaccine will prevent the needless culling of entire flocks of poultry, protecting this vital food source. The development of this vaccine is, however, more than a way to protect birds; it is an important step forward in the prevention of a global pandemic."

About Vaxin:
Vaxin Inc. is an emerging vaccine company with a lead in the development of needle-free, single dose highly effective vaccines. These molecular vaccines are safely administered either in the nose or on the skin, taking the battle against diseases to the immune system's front lines where the diseases are attacking, rather than injecting the vaccine inside the body where the body's immune response is actually weaker. This also allows Vaxin's vaccines to be mass administered by personnel without sophisticated medical training.

As a vaccine delayed may be a vaccine denied, it is crucial to produce vaccines in a timely manner, especially in the event of a pandemic or bioterrorist attack. The company's technology platform also provides a critical tool for the rapid production of vaccines against influenza, avian influenza, anthrax, and Alzheimer's disease utilizing molecular techniques and state of the art cell culture based manufacturing. Vaxin's vaccines are not dependent on chicken eggs and can therefore be more reliably produced even in the event of avian epidemics.

Vaxin's unique technology was developed by Dr. De-chu C. Tang, Vaxin's scientific founder and Vice President of Research. Unlike current vaccines, which typically use a weakened form of the targeted disease, such as the influenza virus, Vaxin's molecular vaccines are created by inserting only a piece of the influenza virus, the antigen, into a benign delivery vehicle. This "Trojan Horse" method increases the safety of the vaccine and virtually eliminates the risk of a vaccine reverting to a disease causing agent. Needle-free, non-replicating, single-dose molecular vaccines also have many other advantages. Patients clearly prefer vaccines which are not injected because there is no fear of needles or the pain they can cause.

Vaxin's technology also has applications for animal health uses. Automated *in ovo* (in the egg) vaccination is the method of choice for the mass immunization of poultry because of the ease of administration and lower costs. Unlike most technologies that have been tried, Vaxin's technology provides the ability to administer a protective vaccine *in ovo* without harming the embryo.

Forward-looking statements:
This press release contains forward-looking statements subject to risks and uncertainties that could cause actual results to differ materially from those projected. These forward-looking statements represent the company's judgment as of the date of this release. The company disclaims, however, any intent or obligation to update these forward-looking statements.

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