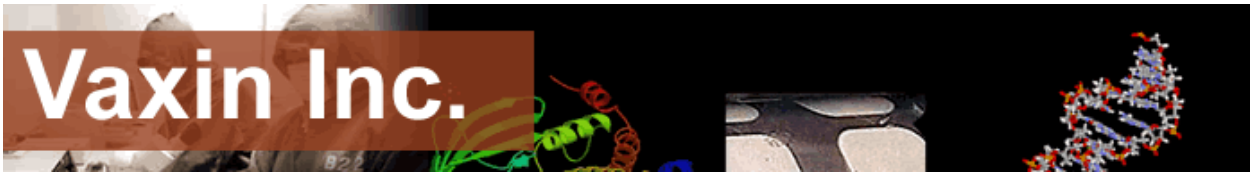

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VAXIN INITIATES PHASE I HUMAN STUDY OF H5N1 PANDEMIC FLU VACCINE

Needle-Free Flu Vaccine Designed to be Safer, More Cost-Effective than Current Vaccines

Birmingham, Alabama – October 8, 2008 – Vaxin Inc., an emerging vaccine company today announced the initiation of a Phase I human clinical study of its lead influenza vaccine being developed to protect against highly-virulent strains of influenza, including those that could result in a global human pandemic.

The double-blind, placebo controlled clinical trial will test Vaxin's proprietary, nasally administered influenza vaccine in 48 volunteers to determine its immunogenicity and safety in healthy subjects. The manufacturing and testing of clinical materials for this trial is supported by a grant from the National Institutes of Health (NIH) as part of the United States Government's pandemic preparedness initiative.

In pre-clinical studies, a single dose of this vaccine has provided 100% protection against multiple subtypes of flu, leading researchers to believe that it may be effective against highly-virulent, life threatening strains of human influenza. Additionally, because this vaccine is produced in cell culture, not chicken eggs, as is the industry norm, Vaxin expects to greatly reduce manufacturing costs and time while eliminating concerns of allergic reactions and contamination common to currently marketed vaccines.

"Vaccination is the most effective way to minimize the impact of influenza and we believe our vaccine program will offer distinct advantages over products currently on the market or in development," said Bill Enright, Chief Executive Officer of Vaxin. "Important especially in a pandemic outbreak, Vaxin's vaccine offers the potential for a single dose vaccine that can be administered by non-medical personnel, manufactured quickly and cost effectively and will be an exact match to the circulating strain and therefore likely more effective. We have designed our vaccine to be safer than currently available alternatives and we believe this may lead to our vaccine being used to treat a broader population including children and the elderly, groups that the U.S. Centers for Disease Control and Prevention (CDC) has identified as likely the greatest at risk."

The clinical trial, sponsored in part by Kolmar Korea Co., Ltd., Vaxin's strategic partner for the Korean marketplace, is being conducted by Dr. Scott Parker at the University of Alabama at Birmingham (UAB).

"A safe and effective influenza vaccine that can be rapidly produced and easily administered would have a significant positive impact on public health," Dr. Parker said. "We look forward to evaluating the results from this study."

About Vaxin:
Vaxin Inc. is an emerging clinical stage vaccine company developing 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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