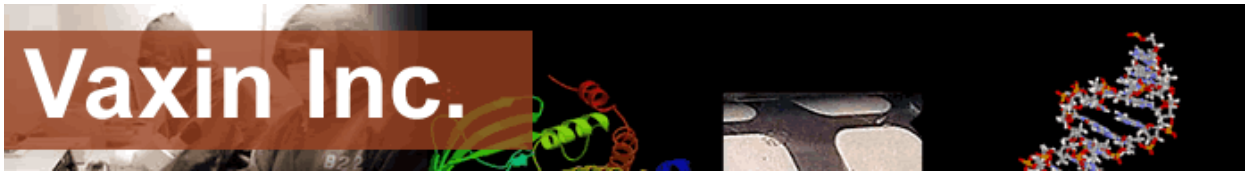


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**VAXIN ANNOUNCES BARDA EXERCISE OF CONTRACT OPTION PERIOD FOR ITS NEXT GENERATION ANTHRAX VACCINE**

**Gaithersburg, Maryland – September 25, 2013 –** Vaxin Inc., a clinical stage vaccine development company today announced that the Office of Biomedical Advanced Research and Development Authority (BARDA) within the Office of the Assistant Secretary for Preparedness and Response at the U.S. Department of Health and Human Services (HHS), has reached an agreement with BARDA to modify its existing contract and to exercise contract option 1. After an Internal Program Review meeting and as a result of Vaxin demonstrating continued progress with this promising vaccine, $8.7M of the contract value was awarded in option 1. These funds allow for the conduct of IND-directed studies including additional preclinical pharmacology, continued manufacturing process development, scale-up and GLP safety and toxicology studies.

“The work that we have done to date under this contract continues to validate early proof of concept studies,” said Bill Enright, President and Chief Executive Officer of Vaxin Inc. “Together with our colleagues at BARDA and Battelle Memorial Institute, we have made significant progress and generated strong data that we believe warrants additional advanced development of our AdVAV™ anthrax vaccine. We look forward to continuing to work with BARDA to accelerate the development of this novel vaccine candidate and to help the U.S. government in its commitment to actively address public health threats.”

In proof of principle studies, Vaxin has demonstrated several key characteristics, important for consideration of the AdVAV vaccine candidate as a medical countermeasure: 1) single dose protection in multiple animal species with rapid onset of and long-lasting immunity; 2) an excellent safety profile in animals 3) easy, patient-friendly, needle-free administration; 4) stability for more than two years at both refrigerated and frozen temperatures; 6) rapid and cost effective manufacturing using an established, cell-culture process**.** These “proof of principle” studies were supported by grants UC1AI067198 and 1R43AI47558 from the National Institute of Allergy and Infectious Diseases.

**About Vaxin:**

Vaxin Inc. is a clinical stage biotechnology company, founded in December 1997 with facilities in Gaithersburg, MD, developing next generation vaccines to address significant public health and biodefense needs. Vaxin is focused on vaccines designed to protect people against influenza and anthrax infection using proprietary, patented technologies for intranasal delivery, and is also developing unique animal health vaccines including *in ovo* vaccines for preventing influenza outbreaks in poultry populations and a vaccine to sterilize dogs and cats. Vaxin's vaccines are designed to provide a safe, effective, easily administered, rapidly manufactured, and cost-competitive alternative to currently marketed products. Vaxin's intranasally delivered, adenovirus-based vaccines have successfully completed pre-clinical development, Investigational New Drug (IND) review and Phase 1 clinical studies for seasonal and pre-pandemic influenza indications, demonstrating both proof-of-concept in man and providing an initial safety assessment of the technology platform. The intranasal seasonal influenza vaccine induced a positive immune response (seroconversion) in 83% of patients, while the pre-pandemic influenza vaccine also shows promising signs of immunogenicity in a dose dependent manner. Phase 1 study reports indicate that both were safe and well tolerated. The proposed vectored anthrax vaccine product is identical in route of administration, structure and manufacturing to these influenza candidates with the exception of the encoded antigen (*Bacillus anthracis* PA rather than *influenza virus* HA). It is expected that a nasal anthrax vaccine would greatly boost vaccine coverage against a bioterrorist attack during a crisis, and significantly reduce adverse side effects when compared to those induced by systemically-delivered anthrax vaccines.

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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