

PROTEIN SCIENCES EXPANDS LICENSE AGREEMENT WITH UMN PHARMA

For Immediate Release**Contact:** Daniel Adams, Executive Chairman, at (203) 514-0325

Meriden, CT Tuesday, November 9, 2010. Protein Sciences Corporation (PSC) announced that it has expanded its 2006 agreement with UMN Pharma, Inc. (UMN), to which it licensed exclusive rights to commercialize FluBlok® and PanBlok® (together “PSC’s influenza vaccines”) in the Japan market. The amendment allows UMN to enter into collaboration agreements with Astellas Pharma Inc. (Astellas) and IHI Corporation (IHI). Astellas’ role will be to support further development, licensure and marketing of PSC’s influenza vaccines for the Japan market. PSC received a portion of the up-front payment paid by Astellas and will be entitled to receive a portion of the development and sales milestones and double-digit royalties on sales. UMN will retain manufacturing rights and has partnered with IHI to establish a commercial manufacturing facility in Japan.

PSC and UMN have further amended their license agreement to expand the territories for which UMN holds exclusive rights to commercialize PSC’s influenza vaccines to include China, Hong Kong, Korea, Singapore and Taiwan. PSC has received a significant up-front payment and will be entitled to milestones upon licensure and high single-digit royalties on sales in each country. In the event UMN sublicenses such rights, PSC will be entitled to payments similar to those under UMN’s agreement with Astellas.

Daniel Adams, Executive Chairman, said, “We look forward to working with UMN and Astellas, which we view as an ideal development and marketing partner for UMN, to secure licensure and commercialize our influenza vaccines in Japan. We also believe that UMN is well suited to bringing the benefits of FluBlok and PanBlok to the additional countries.” He added, “These agreements together with other recent developments, including our contract with BARDA, are key to growing our Company.”

About PSC

PSC is a privately held biopharmaceutical company based in Meriden, Connecticut whose mission is to save lives and improve health by effectively responding to our changing world with innovative vaccines and biopharmaceuticals. PSC uses its platform production system to make novel human and veterinary prophylactic and therapeutic vaccines and diagnostics. PSC’s platform technology is covered by broad patents that include its proprietary *expresSF+*® cell insect line that is used to make all of its and its GeneXpress® customers’ products.

PSC’s lead product is FluBlok, a seasonal recombinant trivalent influenza vaccine consisting of influenza hemagglutinin (HA) proteins. FluBlok is manufactured using cell culture instead of eggs, is highly purified and therefore does not require the use of thimerosal or antibiotics, and is low in endotoxins. PSC filed a Biologics License Application for FluBlok with the FDA in April 2008 that was accepted in June 2008 and received “Fast Track” designation in July 2008. PSC anticipates that FluBlok may receive FDA approval within a few months. In 2009 the Company was awarded a \$34.5 million contract by the Biomedical Advanced Research and Development Authority, a division of the Department of Health and Human Services, to further develop a recombinant technology for the production of recombinant influenza vaccines for pandemic preparedness. This contract could be extended up to a total of five years with a total value of approximately \$147 million.