

Oxagen Limited Raises \$59.8 Million in Series B Private Venture Capital Financing Led by MPM Capital

Abingdon, UK 23 May 2005.

Oxagen Limited, a drug discovery and development company specializing in inflammation, announced today the successful completion of a \$59.8 Million (£ 31.6 Million) Series B round led by MPM Capital.

The proceeds of the funding will be used to advance Oxagen's lead programme, a novel small molecule anti-inflammatory for asthma to the clinic and to expand the company's clinical and pre-clinical stage portfolio.

The investment was led by MPM Capital, and joined by new investors Bessemer Venture Partners, IBT, and Red Abbey as well as existing investors SV Life Sciences, Advent Ventures, 3i, Abingworth, and The Wellcome Trust.

Commenting on the fundraising, Mark Payton, Ph.D., Chief Executive Officer of Oxagen said, "We are delighted to have closed one of the largest biopharmaceutical private financing rounds in the UK or Europe over recent years. In addition, we believe that MPM's decision to lead their first UK investment underscores the progress that we have made to date. This is a very pivotal time in Oxagen's evolution, and we look forward to delivering efficiently on our preclinical and clinical objectives.

Luke Evnin, Ph.D., General Partner at MPM Capital commented " Oxagen's lead programme has the potential to create major drugs for the treatment of asthma and other inflammatory conditions. In addition, we expect the company's portfolio of other, genetically validated therapeutic targets to form the basis of a broad pipeline targeting important unmet medical needs."

Dr. Evnin and Ed Mascioli, M.D., Venture Partner, also of MPM Capital, will join the Oxagen Board of Directors.

About Oxagen

Oxagen is a biopharmaceutical company building a novel drug pipeline with a focus on the GPCR family. The Company specialises in drug development in inflammatory and respiratory diseases and is creating a pipeline of novel small molecule drugs based on targets validated in man

Oxagen was established in April 1997 and initially focused on identifying drug targets through genetics. Since 2003 the Company has focused on building a drug discovery and development capability and pipeline around GPCR targets. The Company is based in Milton Park, south of Oxford. For more information on Oxagen, please visit www.oxagen.co.uk

About MPM Capital

MPM Capital L.P. is a global investment management firm focused solely on life sciences investing. One of the largest investment management firms dedicated to the life sciences sector, MPM Capital has offices in Boston and San Francisco, MPM's portfolio includes early stage start-ups as well as large capitalization public companies, representing biopharmaceutical and medical device companies, encompassing platform technology as well as product-driven opportunities. The firm manages over \$2.1 billion in assets through the MPM BioVentures Family of venture capital funds and the MPM BioEquities public market funds. For additional information, please visit www.mpmcapital.com

Further information about other investors can be found on their web-sites, www.bvp.com, www.abingworth.com, www.svsla.com, www.adventventures.com, www.internationalbiotrust.com, www.redabbey.com, www.3i.com, www.wellcome.ac.uk