Announcement about the Progress of Allovectin-7® Phase III Trial

Vical Inc. ("Vical"), a commercialization partner of AnGes MG, Inc. ("AnGes"), announced on January 28 that the company has completed enrollment of the planned 375 subjects with Stage III or IV metastatic melanoma in the AIMM (Allovectin-7® Immunotherapeutic for Metastatic Melanoma) Phase III pivotal trial.

"We are pleased to have completed enrollment in this pivotal Phase III trial," said Vijay B. Samant, Vical's President and Chief Executive Officer. "We focused our recruitment efforts in North America, major European countries, Israel and Brazil, which represent the key melanoma market. In accordance with the Special Protocol Assessment (SPA) agreement completed with the FDA, the trial is designed to evaluate the efficacy of Allovectin-7® based on response rates -- not survival rates -- to demonstrate the advantages of our approach and to improve the probability of success."

"Immunotherapy takes longer than chemotherapy to begin working," added Mr. Samant, "but responses typically last longer as well. We believe our primary trial endpoint -- comparing response rates after at least six months of treatment -- will highlight the long-term benefits of Allovectin-7® over chemotherapy."

Responding to this announcement, Ei Yamada, AnGes' President and Chief Executive Officer, said, "Researchers have long sought an effective medical agent for refractory melanoma. Having completed enrolling subjects in the Phase III pivotal trial, we are now one step closer to attaining our objective. It is our mission to obtain approval to market the product as soon as possible so that we can offer it for clinical use. Successful commercialization of Allovectin-7® will enable us to convey to the world the great benefits of DNA vaccines."

The American Cancer Society estimates that there were over 68,700 new diagnoses of melanoma in 2009 in the United States and approximately 8,650 deaths. Despite these figures, there are no effective treatments currently available for metastatic melanoma, the target disease of Allovectin-7®. In addition, FDA-approved treatments such as dacarbazine and interleukin-2 have high toxicity, so there is a critical need for a new treatment option. Nevertheless, no new first-line therapy for the disease has been approved in the past twenty years. Under these circumstances, Allovectin-7® has the

potential to become an innovative new therapy. In fact, Vical estimates that worldwide sales could reach 500 million dollars.

AnGes holds exclusive marketing rights in Japan and other key Asian countries, as well as the right to receive royalties for sales in the United States and Europe. AnGes expects that income from these sources will increase the company's performance significantly and will form a basis for its profitability.

This project will have no impact on the company's performance during the current fiscal year.