ProteoTech's Exebryl-1® Enters Human Clinical Trials for the Treatment of Alzheimer's Disease

Kirkland, WA, Aug 7, 2008 – ProteoTech Inc. (ProteoTech) today announced that it has completed regulatory Investigational New Drug (IND) requirements and has been cleared by the FDA to initiate its Phase 1 human clinical trial on Exebryl-1®, a novel small molecule drug targeting toxic beta-amyloid protein accumulation for the treatment of Alzheimer's disease. ProteoTech initiated its Phase 1 human trial on July 29, 2008.

At the 2008 International Conference on Alzheimer's disease in Chicago last week, ProteoTech presented remarkable efficacy data in Alzheimer's transgenic mice, whereby Exebryl-1® lowered brain beta-amyloid protein load by greater than 30-50%, correlating with marked improvements in memory in these animals. Toxic and insoluble beta-amyloid protein accumulation is believed to be an important part of the disease progression and memory impairment observed in all patients with Alzheimer's disease. Data was also presented demonstrating oral bioavailability and blood-brain-barrier penetration of Exebryl-1®.

Exebryl-1® is a novel small molecule drug developed at ProteoTech from its unique library of small molecule compounds designed to target specific amyloid diseases. Over six years of pre-clinical *in vitro* and *in vivo* testing led to the development of Exebryl-1® that is believed to prevent beta-amyloid protein formation, deposition, and accumulation at all stages of the disease progression. In addition, Exebryl-1® also contributes to a reduction and clearance of beta-amyloid protein deposits already existing in the brain as shown by a significant and marked reduction in brain amyloid plaques in older Alzheimer's transgenic animals.

Initial studies suggest that Exebryl-1® may also have an important dual capacity by inhibiting and reducing tau protein from forming paired helical filaments, important in neurofibrillary tangle formation. The presence of neurofibrillary tangles in brain containing tau protein is an important pathological hallmark of Alzheimer's disease. Further studies are ongoing to confirm these exciting findings. Thus, Exebryl-1® may be the first orally bioavailable small molecule drug that affects both amyloid plaque and neurofibrillary tangle accumulation, the two major characteristic and pathological lesions of Alzheimer's disease.

About ProteoTech: ProteoTech is a private drug development Company founded in 1996 that is a world-leader in therapeutics and diagnostics targeting amyloid diseases. With over 165 patents in its intellectual property estate, ProteoTech is in human clinical trials for its orally active small molecule drug Exebryl-1® for the treatment of mild-to-moderate Alzheimer's disease. The Company is in late stage pre-clinical development with Synuclere™ for the treatment of Parkinson's disease, and Systebryl™ for the treatment of Systemic Amyloidosis. ProteoTech is also in late stage pre-clinical

development for a novel small peptide called PeptiClere™ as a nasal spray for the treatment of Alzheimer's disease. Lastly, ProteoTech is developing a novel small molecule compound for the treatment of amyloidosis associated with type 2 diabetes. For further information, go to www.proteotech.com or contact Steve Runnels, CEO at runnels@proteotech.com.