

NEWS

For Immediate Release
September 23, 2003

Tranzyme Receives Funding from North Carolina Biotechnology Center Through Small Business Research Award Program

RESEARCH TRIANGLE PARK, NC (September 23, 2003) – **Tranzyme, Inc.**, a drug discovery and development company focused on diseases of the neurosensory system, announced today that it received funding of approximately \$150,000 from the **North Carolina Biotechnology Center**. The Center's Small Business Research Award Program supports novel research leading to the development or refinement of a product or process with large commercial potential.

Tranzyme will use the funds from this program to accelerate applications of its gene delivery technology (TranzVector™) in the area of gene silencing. As announced earlier this year, Tranzyme has partnered this development area with Benitec, Ltd. (Queensland, Australia), an established leader in the area of DNA-directed RNAi with patents recently issued in the US and UK. The combined technologies offer the most efficient method yet available for silencing genes through the long-term and stable expression of siRNA. TranzVector™ will enable gene silencing in mammalian cells, whether *in vitro*, *ex vivo* or *in vivo*, including otherwise difficult to transduce neuronal and other post-mitotic cells. The combined technologies will complement Tranzyme's functional biology approach to drug discovery.

"Our support of Tranzyme is consistent with our tradition of providing North Carolina's biotechnology companies with funding to develop breakthrough research for commercialization," said Ken Tindall, Ph.D., Senior Vice President, Science and Business Development for the Biotechnology Center. "It's through their success that North Carolina receives substantial economic benefits. We are glad to provide Tranzyme this support towards their success. The Biotechnology Center recognizes that gene silencing is a major technical advance in functional genomics research."

"The recent demonstration of RNAi activity in mammalian cells has added an important facet to functional biology by providing the ability to specifically knock down the expression of selected genes; however, the power of this novel technology cannot be fully realized without delivering siRNA to clinically relevant cell types," said Ram Ramabhadran, Ph.D., Senior Vice President of Research and Development for Tranzyme, Inc. "Combining the RNAi technology with the efficient delivery capabilities of TranzVector™ will enable the full exploitation of RNAi for drug discovery."

The North Carolina Biotechnology Center is a private, non-profit corporation established by the state's General Assembly in 1981 as the nation's first state-sponsored biotechnology initiative. Its mission is to provide long-term economic benefit to North Carolina through support of biotechnology research, development and commercialization statewide. For more information about the North Carolina Biotechnology Center visit www.ncbiotech.org.

Tranzyme, Inc. is a privately held drug discovery and development company uniquely focused on the treatment of diseases associated with the neurosensory system including the eye, the ear and the brain. Tranzyme has developed a proprietary functional biology platform based on gene delivery and controlled expression from in vitro to ex vivo to in vivo. Tranzyme is leveraging its technology through partnerships and internal programs to drive the discovery and development of novel therapeutics. The Company has already established a dozen strategic partnerships around the world and has secured access to a number of important therapeutic targets and lead compounds for neurosensory diseases. For more information about Tranzyme visit www.tranzyme.com.

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