
FOR IMMEDIATE RELEASE

**SERENEX ANNOUNCES THE START OF A PHASE 2 CLINICAL TRIAL OF
SNX-1012 FOR THE TREATMENT OF CHEMOTHERAPY-INDUCED ORAL MUCOSITIS**

Durham, N.C. July 12, 2006, – Serenex, Inc., an integrated oncology-focused drug discovery and development company, announced today the initiation of a phase 2 clinical trial of its lead product, SNX-1012. The compound will be tested in patients with certain solid tumors who are treated with chemotherapy and develop oral mucositis. The study will compare multiple doses of SNX-1012 against a placebo control and is expected to be completed in early 2007.

“A large body of safety data currently exists for this compound. Therefore, demonstrating efficacy and identifying the optimal dose during this phase 2 clinical trial will be an especially significant step toward the development of SNX-1012,” said Dr. Richard Kent, chief executive officer at Serenex. “Treatment options for patients suffering from chemotherapy and radiation-induced oral mucositis are very limited, and in fact, there is currently no effective treatment for the approximately 400,000 solid tumor patients in the United States suffering from oral mucositis,” Dr. Kent added.

Oral mucositis results in inflammation and ulceration of the mouth and throat tissue lining and is the most common debilitating toxicity induced by chemotherapy and radiation therapy regimens. In severe cases oral mucositis can lead to patients requiring total parenteral nutrition, IV narcotic analgesics to control pain, and hospitalization. A serious consequence of oral mucositis is that it frequently leads to the interruption of radiation or chemotherapeutic treatment, which results in an undesirable decrease in efficacy. Of the patients who develop oral mucositis, approximately 90% have solid tumors. The size of this market has been estimated to be more than \$1 billion.

SNX-1012 targets multiple inflammatory and other key pathways involved in the pathophysiology of oral mucositis. The product is administered as a topical, transmucosal agent in the form of an oral rinse that interferes with many of the biological targets necessary for mucositis development. Four phase 1 trials have been successfully completed, including a phase 1b study at the Fred Hutchinson Cancer Center in Seattle, which showed strong indications of pharmacological activity and an excellent safety profile.

About Serenex

Serenex is an integrated oncology-focused drug discovery and development company. The company's mission is to improve the lives of cancer patients by developing proprietary therapeutic and supportive care products. Serenex's lead program, SNX-1012, a product for chemotherapy and radiation-induced oral mucositis, is scheduled to complete phase 2 clinical trials in early 2007. Additionally, Serenex has a pre-clinical program comprising a series of orally bioavailable, small molecule inhibitors of Heat Shock Protein 90 (Hsp90). SNX-5422, Serenex's lead candidate in this program is scheduled to begin clinical trials in early 2007. Hsp90 is a chaperone protein for a variety of oncogene products (such as Her2 and Raf) and their downstream signaling molecules (such as Akt and Erk). Serenex's pipeline is powered by a proprietary screening platform which enables the company to profile compounds, in high throughput, against thousands of important therapeutic and toxicity targets simultaneously. By screening compounds in this manner Serenex is able to better understand specificity and toxicity issues, drive structure-activity relationships (SAR) and help determine mechanism of action.

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