ProNAi and Novosom AG Announce Collaboration to Enable Delivery of DNAi®-based Cancer Therapeutics

Pioneer in DNAi®-based drug development signs licensing deal with maker of Smarticles®, a new class of liposomes, to help advance PNT100 drug candidate toward IND, and overcome key obstacle to delivering nucleotides in vivo to targeted cells

Kalamazoo, Michigan and Halle, Germany – March 6, 2007 – ProNAi Therapeutics, Inc., a biopharmaceutical company pioneering a new class of nucleic-acid drugs based on DNA interference (DNAi®), today announced a collaboration with Novosom AG to enable successful delivery of DNAi®-based cancer therapeutics. Under the terms of the collaboration, ProNAi will license Novosom's SMARTICLES® liposome technology for use in all human disease targeted by ProNAi's PNT100 drug candidate. The agreement comprises an upfront payment, milestone payments and royalties, composed of a mixture of cash and equity. ProNAi will also retain an option for four additional DNAi® targets.

Dr. Richard D. Gill, President and CEO of ProNAi, said, "Team ProNAi is very much looking forward to realizing the results of our collaboration with Novosom in this groundbreaking endeavor, as we bring the drug product PNT2258 to IND submission. The successful delivery of nucleic acid-based drugs has been the 'holy grail' of the industry for many years, and we are confident that our combined approach will yield promising outcomes. With this partnership, we have developed a GMP-enabling oligo delivery method that allows ProNAi to submit an IND, and we expect more significant milestones to be met in the near future."

Elias Papatheodorou, CEO of Novosom, said, "Novosom's technology has been in the forefront of providing a safer, more efficient delivery method available for in vivo delivery of nucleotides to targeted cells. We are encouraged by the potential our partnership with ProNAi holds in developing a new class of effective DNA-based drugs."

About Novosom AG. Novosom is working with its partners to develop unique antisense, DNAi and siRNA based therapeutics with a current focus in inflammation, oncology and liver diseases. Novosom's Smarticles® liposomal vectors allow partners to deliver their active substance (siRNA, antisense, decoy etc) inside the cell either for topical or systemic applications. Smarticles are an enabler of systemic treatments and an enhancer of topical treatments. The Company has several active therapeutically-relevant collaborations in oncology and inflammation. Novosom AG main investors include IBG Beteiligungsgesellschaft Sachsen-Anhalt mbH and MBG Mittelständische Beteiligungs-gesellschaft Sachsen Anhalt. Novosom AG is based in Halle, Gemany. For more information, please visit: www.novosom.com.

About ProNAi Therapeutics, Inc. ProNAi Therapeutics, Inc. is a biopharmaceutical drug development company pioneering a new class of nucleic-acid drugs based on DNA interference (DNAi®), which employs single strands of DNA to target and treat non-transcribed regions of genomes responsible for complex genetic diseases. ProNAi is currently developing multiple DNAi®-based drug candidates with the potential to treat multiple cancers, including non-Hodgkin's lymphoma, prostate, melanoma, breast, and colon cancers. The company's lead drug candidate, PNT-100, which has demonstrated in vivo efficacy in a variety of human tumor xenograft models, is currently in preclinical development. ProNAi is also exploring the potential of DNAi®-based therapies for indications such as diabetes, Alzheimer's and inflammatory disease. ProNAi is based in Kalamazoo, Michigan. For more information, please visit: www.pronai.com.