
NEWS RELEASE**Provid Pharmaceuticals receives NIH grant to fund multiple sclerosis research. □□**

Piscataway, NJ, September 20, 2004, -- Provid Pharmaceuticals Inc. has been awarded an SBIR grant from the National Institute of Neurological Diseases and Stroke (NINDS) to fund proof-of-concept biological studies of the company's lead molecules for multiple sclerosis. One of the features of MS (and other autoimmune diseases) is that the disease has a strong genetic correlation to MHC class II molecules. In MS patients, the MHC class II molecule, HLA-DR2 is thought to bind peptide fragments of the myelin nerve sheath that insulates neurons in the central nervous system. In MS, the myelin peptide-MHC DR2 complex interacts with autoreactive T cells, triggering the immune response that leads to destruction of the nerve sheath and to the symptoms of the disease. □□Provid has developed compounds that bind tightly to MHC DR2 and prevent antigen binding. These leads will be optimized for binding affinity, pharmacokinetics, and efficacy in inhibiting T cell activation. The cellular tests will be using methodology developed by CTL laboratories and pursued in collaboration with Case Western Reserve University (Drs. Thomas Forsthuber and Paul Lehmann). The Case group also has developed an animal model using DR2 transgenic mice that can be used to predict the inhibition of DR2-antigen presentation in vivo. □□The MHC inhibition approach developed by Provid has potential applicability to many autoimmune disease targets, including multiple sclerosis, celiac disease, rheumatoid arthritis, Graves disease, and type 1 diabetes. The company is applying its expertise and proprietary methodology of peptide mimetics to design and develop these compounds. Prior to the award of the SBIR grant, Provid developed the lead molecules using a combination of structure-based drug design and peptide mimetics methodology. The program has been partnered with Suntory Pharmaceuticals Research Laboratories, a subsidiary of Daiichi Pharmaceuticals for downstream development, marketing and sales. □□Provid is a chemistry-based drug discovery company with expertise in all aspects of medicinal chemistry, structure-based drug design, lead optimization, protein biochemistry and assay development. In addition to its autoimmune disease platform for drug discovery, the company offers collaborative discovery services to biotech companies and academic groups that need medicinal chemistry expertise to transform their biologically driven research into drug molecules.

About Provid

Provid Pharmaceuticals Inc. is a drug discovery company that has expertise in the design and optimization of drug candidates for biological targets, using concepts of structure-aided design, medicinal chemistry, and peptide mimetics technology. The company has applied this capability to internal programs in autoimmune disease and oncology. In addition, Provid supplies expert medicinal chemistry services to the biotech and pharmaceutical industries to translate early biological discoveries into commercial opportunities.

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