

News Release

FOR IMMEDIATE RELEASE

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**PLUROGEN SIGNS \$ 8.6 MILLION CONTRACT WITH U.S. DEPARTMENT OF DEFENSE –
PLUROGEN’S PLUROGEL® PNN CHOSEN FOR LIMB SALVAGE
& REGENERATIVE MEDICINE INITIATIVE**

(Charlottesville, VA, 1 September 2010) – PluroGen Therapeutics, Inc. (PluroGen) is pleased to announce the United States Department of Defense (DoD), via the Department of Interior’s National Business Center (DoI-NBC), has selected PluroGel® PNN Topical Antimicrobial, a triple antibacterial and antifungal, as part of the Limb Salvage and Regenerative Medicine Initiative. This Initiative is a Department of Defense-wide collaborative effort, funded partially by the Joint IED Defeat Organization to accelerate medical technology for the treatment of blast-related injuries. The contract with PluroGen is valued at \$8,600,000 and funds the regulatory approval process and the manufacturing scale-up of PluroGel® PNN Topical Antimicrobial, which is targeted to severe burns and wounds.

The Limb Salvage and Regenerative Medicine Initiative is managed by the Office of Technology Transition, within the Directorate for Defense Research and Engineering (DDR&E). The Limb Salvage and Regenerative Medicine Initiative is a pilot program to shepherd needed and beneficial advanced medical technologies and products through the transition process for DoD, and civilian, use. PluroGel® PNN has been demonstrated at the University of Virginia Health System to be an effective topical antimicrobial technology that could benefit our troops, especially those on the front lines. The DoD is partnered with PluroGen to be able to help this technology transition into everyday use for our burn and wound patients.

Commenting on this significant achievement for PluroGen, Neal G. Koller, President & CEO of PluroGen, said “Signing this contract with U.S. DoD is a terrific opportunity for PluroGen to contribute in a most significant and important way to our wounded Service Members by providing our soldiers with PluroGel® PNN. PluroGel® PNN has been in use for 15 years on over 9,500 severe burn and chronic wound patients at the University of Virginia. PluroGel® PNN, if approved by the FDA, will give the Department of Defense another topical antimicrobial therapy capability for battlefield injuries. U.S. DoD’s \$8.6 million funding and support of our PluroGel® technology will assure our military and all severe burn and wound patients worldwide of having access to the advantages of our unique PluroGel® PNN.”

About PluroGen Therapeutics, Inc.

Manufacturer of PluroGel® and ActiGel™, PluroGen’s core gel technology is used in a range of self-branded and co-branded products for burns, wounds and skin care. PluroGen is commercializing multiple patent-protected products providing superior and differentiated physical, bio-impact and multi-function benefits. PluroGen’s unique, patent-protected and proprietary core gel technology is configured to deliver key medicinal and beneficial compounds. PluroGen’s new product pipeline targets the six (6) areas of treatment in tissue management and healing: 1) Cleansing; 2) Anti-infection; 3) Pain Reduction; 4) Inflammation Reduction; 5) Tissue Salvage; and 6) Tissue Regeneration.

PluroGen’s initial products are being used in skin cleansing and wound cleansing medical devices (PluroGel® Concentrate), for personal skin care products (PluroGel® and ActiGel™) and as topical barrier products for burns and wounds (PluroGel® with Silver Sulphadiazine). PluroGel® PNN is currently in routine use at the University of Virginia Medical Center, having shown superior results on more than 9,500 patients in two different populations, severe burns and chronic wounds. PluroGen’s Managers, Principal Investigators, and Directors are recognized global clinical and commercial leaders in PluroGen’s target markets of burn and wound care industries.

For more information about PluroGen Therapeutics, Inc., visit the Company’s web site at www.plurogen.com.

Statements included in this press release that are not historical in nature are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The Company cautions readers that forward-looking statements are subject to certain risks and uncertainties, which could cause actual results to differ materially and which are identified from time to time in the Company’s reports filed with the U.S. Securities and Exchange Commission. PluroGen Therapeutics, Inc. claims the protection of the Safe Harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Information included on PluroGen Therapeutics, Inc. website is not incorporated herein by reference or otherwise.