



NEWS RELEASE

For Immediate Release

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PharmAthene and Medarex Receive FDA Fast Track Designation for Valortim™ for Treatment of Anthrax Infection

ANNAPOLIS, MD and PRINCETON, NJ, January 9, 2006 - Medarex, Inc. (Nasdaq: MEDX) and PharmAthene, Inc., a privately held biotechnology company dedicated to the development of biodefense products, today announced that the United States Food and Drug Administration (FDA) has granted Fast Track designation for Valortim™ (MDX-1303) against anthrax infection. Valortim™ is an investigational fully human antibody created using Medarex's UltiMAB Human Antibody Development System® that targets the *Bacillus anthracis* protective antigen.

Under the FDA Modernization Act of 1997, designation as a Fast Track product for a new drug or biological product means that the FDA has determined that the drug or biologic is intended for the treatment of a serious or life-threatening condition that demonstrates the potential to address unmet medical needs, and that the FDA will facilitate the development and expedite the regulatory review of the product.

Preclinical studies suggest that Valortim™ has the potential to provide significant protection against anthrax infection when administered prophylactically – or prior to the emergence of symptoms of anthrax infection, and also may increase survival when administered therapeutically, or once symptoms become evident. In these studies, Valortim™ has been shown to protect both rabbits and monkeys against the lethal effects of anthrax infection when administered at the time of exposure at doses as low as 1 mg/kg. When administered to rabbits after the development of symptoms, Valortim™ also improved survival as late as 48 hours post-exposure as compared to controls.

Valortim™ is currently being evaluated in a Phase I open-label, dose-escalation clinical trial to evaluate the safety, tolerability, immunogenicity, and pharmacokinetics of a single dose of Valortim™ administered intravenously or intramuscularly in healthy volunteers.

“The FDA’s decision to grant Fast Track designation for Valortim™ is an important indication of the unmet medical need for novel anthrax therapeutics,” commented David P. Wright, President and Chief Executive Officer of PharmAthene. “We believe that Valortim™ has the potential to play an important role in our nation’s biodefense arsenal. Due to its unique mechanism of action with regard to other antibodies, demonstrated efficacy in two animal models, and its potency in animal studies at the lowest dose reported, Valortim™ should be a leading candidate for Project Bioshield procurement.”

“We are pleased with the FDA’s decision to designate Valortim™ as a Fast Track product, and we look forward to continuing our work with PharmAthene in the development of this important product,” said Donald L. Drakeman, President and CEO of Medarex.

About Valortim™

Valortim™ (MDX-1303) is a fully human antibody designed to protect against inhalation anthrax, the most lethal form of illness in humans caused by the *Bacillus anthracis* bacterium. The investigational antibody is designed to target a protein component known as the anthrax protective antigen of the lethal toxin complex produced by the bacterium. The anthrax protective antigen is believed to initiate the onset of the illness by attaching to cells in the infected person, and then is believed to facilitate the entry of additional destructive toxins into the cells. Valortim™ is designed to target anthrax protective antigen and protect the cells from damage by the anthrax toxins.

About Anthrax

According to the Centers for Disease Control and Prevention, anthrax is an acute infectious disease caused by the spore-forming bacterium *Bacillus anthracis*. Anthrax most commonly occurs in hooved mammals and can also infect humans. Symptoms of disease vary depending on how the disease was contracted, but usually occur within seven days after exposure. The serious forms of human anthrax are inhalation anthrax, cutaneous anthrax, and intestinal anthrax. Initial symptoms of inhalation anthrax infection may resemble a common cold. After several days, the symptoms may progress to severe breathing problems and shock. Inhalation anthrax is often fatal, even with the use of antibiotics.

About PharmAthene, Inc.

PharmAthene, a privately-held biotechnology company, was formed to meet the critical needs of the United States by developing biodefense products. PharmAthene is dedicated to the rapid development of important and novel biotherapeutics to address biological pathogens and chemicals that may be used as weapons of bioterror. PharmAthene’s lead programs include Valortim™ and Protexia®. PharmAthene is located in the Chesapeake Innovation Center in Annapolis, MD, the first technology incubator focused solely on Homeland Security. For more information on PharmAthene, please visit its website at www.PharmAthene.com.

About Medarex

Medarex is a biopharmaceutical company focused on the discovery, development and potential commercialization of fully human antibody-based therapeutics to treat life-threatening and debilitating diseases, including cancer, inflammation, autoimmune disorders and infectious diseases. Medarex applies its UltiMAb® technology and product development and clinical manufacturing experience to

generate, support and potentially commercialize a broad range of fully human antibody product candidates for itself and its partners. Twenty-seven of these therapeutic product candidates derived from Medarex technology are in human clinical testing or have had INDs submitted for such trials, with two of the most advanced product candidates currently in Phase III clinical trials. Medarex is committed to building value by developing a diverse pipeline of antibody products to address the world's unmet healthcare needs. For more information about Medarex, visit its website at www.medarex.com.

Statement on Cautionary Factors

For Medarex: Except for the historical information presented herein, matters discussed herein may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to certain risks and uncertainties that could cause actual results to differ materially from any future results, performance or achievements expressed or implied by such statements. Statements that are not historical facts, including statements preceded by, followed by, or that include the words “potential”; “believe”; “anticipate”; “intend”; “plan”; “expect”; “estimate”; “could”; “may”; or similar statements are forward-looking statements. Medarex disclaims, however, any intent or obligation to update these forward-looking statements. Risks and uncertainties include risks associated with product discovery and development, uncertainties related to the outcome of clinical trials, slower than expected rates of study subject enrollment, uncertainties related to scheduling and completing necessary animal experiments to satisfy the FDA Animal Rule requirements in the few facilities approved to perform such experiments, unforeseen safety issues resulting from the handling of *Bacillus anthracis*, unforeseen safety issues resulting from the administration of Valortim™ (MDX-1303) in human subjects, uncertainties related to product manufacturing as well as risks detailed from time to time in Medarex’s public disclosure filings with the U.S. Securities and Exchange Commission (SEC), including its Annual Report on Form 10-K for the fiscal year ended December 31, 2004 and subsequent Quarterly Reports on Form 10-Q. There can be no assurance that such development efforts will succeed or that other developed products will receive required regulatory clearance or that, even if such regulatory clearance were received, such products would ultimately achieve commercial success. Copies of Medarex’s public disclosure filings are available from its investor relations department.

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