

TO BUSINESS, HEALTH AND MEDICAL EDITORS:

Sanaria Inc. Receives Multi-Year \$3 Million U.S. NIH Phase II Small Business Innovation Research Grant for Further Development of its Malaria Vaccine

ROCKVILLE, Md., June 20, 2005 /PRNewswire/ -- Sanaria Inc., a Rockville, Maryland privately held company focused on development of an attenuated whole parasite Malaria Vaccine, announced the receipt of a multi-year Phase II Small Business Innovation Research Grant from the National Institute of Allergy and Infectious Diseases, part of the National Institutes of Health. The Fiscal Year 2005 award is \$999,980 and subject to satisfactory progress by Sanaria and continued funding, should result in similar amounts in FY 2006 and 2007, for a total of \$3 million.

Malaria causes more than 500 million clinical cases and one million deaths annually, the majority in children in Africa. Whenever the U.S. military has been deployed to an area with significant malaria transmission during the past 150 years, malaria has been responsible for more casualties than hostile fire. Malaria vaccine development is a major humanitarian and military objective.

Stephen L. Hoffman, M.D., CEO of Sanaria Inc., noted, "We are gratified that we were able to compete successfully for this type of grant, which is awarded based entirely on peer review of proposals. These funds, combined with grants from the United States Army Medical Research Acquisition Activity Group and a grant by the Bill & Melinda Gates Foundation to the Institute for OneWorld Health, will allow us to complete the establishment and validation of our manufacturing process. We are now putting together the substantial additional funding needed to manufacture the vaccine, conduct studies in support of an investigational new drug application to the Food and Drug Administration, and complete the clinical trials in volunteers planned to begin in 2006... Development of a sustainably effective malaria vaccine is a difficult process, we are grateful for Senator Barbara Mikulski's and Congressman Chris Van Hollen's enthusiastic support of our efforts to develop a malaria vaccine."

Sanaria Inc. was founded in 2003. Its mission is to develop, commercialize, and distribute an attenuated malaria sporozoite vaccine against *Plasmodium falciparum*, the malaria parasite responsible for more than 95 percent of malaria-associated severe illness and death world-wide, and the malaria parasite for which there is the most significant drug resistance. For more information see <http://www.sanaria.com>.

Except for historical information, this news release contains certain forward-looking statements that involve known and unknown risk and uncertainties, which may cause actual results to differ materially from any future results, performance or achievements expressed or implied by the statements made. These forward-looking statements relate use of funds to date to complete manufacturing process, and ability to raise sufficient funding for clinical studies. Such risks and uncertainties include, but are not limited to, the Company's ability to raise funds on reasonable terms, the regulatory approval process, competitive products, and maintenance of its patent portfolio, among others.

SOURCE Sanaria Inc.

/ 6/20/2005

/CONTACT: Robert Thompson of Sanaria Inc., +1-301-770-3222/

/Website: <http://www.sanaria.com> /