

News Release

PharmAthene Achieves Significant Progress in SparVax(TM) Anthrax Vaccine Program

Completes Final Commercial Scale-Up Activities for SparVax(TM), a Modern Next Generation Anthrax Vaccine to Address the Nation's Leading Biosecurity Threat

ANNAPOLIS, Md., Sept. 9, 2011 /PRNewswire via COMTEX/ -- PharmAthene, Inc. (NYSE Amex: PIP) announced today that it has achieved significant progress in the development of its second generation anthrax vaccine, SparVax(TM). In addition to completing initial technology transfer at the 100 liter scale and demonstrating 36 month stability, the Company announced today that it has now completed a 1,500 liter engineering production run for SparVax(TM). As a result, PharmAthene has shown it is able to produce bulk drug substance for SparVax(TM) at the final commercial scale for the product.

Dr. Thomas Fuerst, Executive Vice President and Chief Scientific Officer, remarked, "PharmAthene has developed a robust manufacturing process for SparVax(TM) with the capability to produce more than 200 million rPA vaccine equivalent doses of bulk drug substance at the 50 mcg dose range on an annual basis. The use of recombinant vaccine technology employing modern, industrial biotechnology manufacturing processes provides the flexibility to rapidly scale-up production in the event of a national emergency, which should enable a much more refined and cost-effective vaccine for the U.S. government and its citizens."

"As we remember and honor those who tragically lost their lives on September 11, 2001, we must not forget that it was also 10 years ago that our nation was introduced to the specter of biological terrorism in the form of the anthrax letter attacks. Since those tragic events, our government has dedicated unprecedented resources to ensuring our nation's preparedness against future bioterrorism events," remarked Eric I. Richman, President and Chief Executive Officer for PharmAthene.

"Recently, the Office of the Assistant Secretary for Preparedness and Response, U.S. Department of Health and Human Services (HHS) released *The Public Health Emergency Medical Countermeasures Enterprise (PHEMCE) Review*, which outlined a bold strategic initiative to ensure our nation's safety from bioterrorism and emerging infectious disease threats. We at PharmAthene are extremely proud to be working in collaboration with HHS and its various agencies to achieve this objective by advancing important new, next generation technologies based on modern biotechnology processes, that address these critical biosecurity threats," continued Mr. Richman. "The benefits of next generation anthrax vaccines are well established and could yield potential improvements in cost, convenience, safety and effectiveness for the U.S. government and its citizens. We believe that our anthrax vaccine candidate, SparVax(TM), is at the forefront of efforts in this field and remain committed to working closely with our respected colleagues at the Biomedical Advanced Research and Development Authority (BARDA) to bring a second generation anthrax vaccine to market."

PharmAthene's rPA anthrax vaccine program has been funded in whole or in part with Federal funds from the National Institute of Allergy and Infectious Disease, National Institutes of Health and the Biomedical Advanced Research and Development Authority.

About PharmAthene, Inc.

PharmAthene was formed to meet the critical needs of the United States and its allies by developing and commercializing medical countermeasures against biological and chemical weapons. PharmAthene's lead product development programs include:

- SparVax(TM) - second generation recombinant protective antigen (rPA) anthrax vaccine
- Valortim® - fully human monoclonal antibody for the prevention and treatment of anthrax infection
- rBChE (recombinant butyrylcholinesterase) - a medical countermeasure for nerve agent poisoning by organophosphorous compounds, including nerve agents and pesticides

Statement on Cautionary Factors

Except for the historical information presented herein, matters discussed 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"; "should"; "will"; "project"; "potential"; or similar statements are forward-looking statements. PharmAthene disclaims any intent or obligation to update these forward-looking statements other than as required by law. Risks and uncertainties include risk associated with the reliability of the results of the studies relating to human safety and possible adverse effects resulting from the administration of the Company's product candidates, unexpected funding delays and/or reductions or elimination of U.S. government funding for one or more of the Company's development programs, the award of government contracts to our competitors, unforeseen safety issues, challenges related to the development, scale-up, technology transfer, and/or process validation of manufacturing processes for our product candidates, unexpected determinations that these product candidates prove not to be effective and/or capable of being marketed as products, challenges related to the implementation of our NYSE Amex compliance plan, as well as risks detailed from time to time in PharmAthene's Forms 10-K and 10-Q under the caption "Risk Factors" and in its other reports filed with the U.S. Securities and Exchange Commission (the "SEC"). In particular, at this point there can be no assurance that PharmAthene's rPA product candidate will be shown to be safe and effective and approved by regulatory authorities for use in humans. Copies of PharmAthene's public disclosure filings are available from its investor relations department and our website under the investor relations tab at <http://www.pharmathene.com/>.

SOURCE: PharmAthene, Inc.