OXiGENE Provides Update on Vascular Targeting Programs in Ophthalmology

WALTHAM, Mass.--(BUSINESS WIRE)--June 20, 2005--OXiGENE, Inc. (NASDAQ and XSSE: OXGN), a leading developer of biopharmaceutical compounds designed to target aberrant blood vessels within solid tumor cancers and ocular neovascular diseases, today provided a mid-year update on the progress of its programs for vascular targeting agents (VTAs) in ophthalmology.

"During the first half of 2005, we have made substantial progress in our research and development programs for VTAs in ophthalmologic indications. At the outset of the year, we committed to enrolling a majority of the patients in our Phase II myopic macular degeneration (MMD) trial of intravenously administered CA4P in 2005 and completing enrollment during the first half of 2006; selecting a means of local administration for CA4P in wet age-related macular degeneration (wAMD), and completing the ongoing Phase I/II trial for systemic administration of CA4P in wAMD," stated Fred Driscoll, President and CEO of OXiGENE.

MMD

"We reiterate our guidance given in January of this year that we expect to enroll the majority of the patients in our MMD trial in 2005. Based on the data from that trial, which we expect to complete by the first half of 2006, we also anticipate that we will be poised to launch a Phase III trial of CA4P in MMD.

wAMD

"OXiGENE is considering two methods of ocular administration for its wAMD programs. We believe that local administration will be the optimal method for the treatment of wAMD with our VTAs, and we have therefore identified and are evaluating what we believe to be two very promising methods of ocular delivery. The first is an injection to the outer surface of the eye in the periorbital space, a relatively simple and minimally invasive means of drug delivery to the eye. The second is a novel eye drop-based technology that incorporates the VTA into the drop and when topically applied results in drug delivery to the retina. Either of these delivery techniques, if successful, could significantly reduce treatment time and discomfort for patients suffering from wAMD. To that end, we have concluded the Phase I/II trial of CA4P in which the compound was administered systemically by intravenous infusion to wAMD patients, in favor of advancing the program with a local method of administration."

"We believe that the published research on CA4P and the vascular targeting mechanism demonstrate the strong potential of our VTAs for the treatment of wAMD. A local method of administration for small VTA molecules could provide a competitive advantage over other agents that require more invasive intravitreal injections and, we believe, would cause a paradigm shift in the treatment of wAMD," commented Dai Chaplin, Ph.D., Chief Scientific Officer of OXiGENE. "Additionally, we remain on track to select by year-end the most appropriate of these delivery methods to be used in future clinical trials of our VTAs in the treatment of wAMD."

Jeffrey S. Heier, M.D. Joins OXiGENE's Clinical Trials Advisory Board

"In another development related to our programs for diseases of the eye, OXiGENE welcomes Jeffrey S. Heier, M.D. to our Clinical Trials Advisory Board," continued Mr. Driscoll. "Dr. Heier is an outstanding member of the ophthalmology community whose research specializes in several fields, including macular degeneration. He has been at the forefront of clinical development of several of the new agents being tested for wAMD and we believe Dr. Heier will make important contributions to the development plans for our VTAs in ophthalmic indications." With regard to his appointment to OXiGENE's Clinical Trials Advisory Board, Dr. Heier commented, "OXiGENE's vascular targeting approach shows promise in treating debilitating diseases of the eye, including macular degeneration, because it acts by both preventing the proliferation of new blood vessels and regressing the already formed aberrant vasculature. I am pleased to advise OXiGENE in their efforts to develop their VTAs to fight serious ocular diseases for which there continues to be a significant unmet medical need."

Dr. Heier is a Vitreoretinal Specialist at Ophthalmic Consultants of Boston, Co-Director of the Vitreoretinal Fellowship at OCB/Tufts Medical School, and President of the Center for Eye Research and Education in Boston, Massachusetts. Dr. Heier is an Assistant Professor at Tufts University School of Medicine and a Clinical Instructor at Harvard University Medical School. Dr. Heier received a medical degree from Boston University School of Medicine in Massachusetts, and subsequently completed a transitional internship and ophthalmic residency at Fitzsimons Army Medical Center. Dr. Heier completed a vitreoretinal fellowship at Ophthalmic Consultants of Boston/Tufts University School of Medicine. Dr. Heier's research interests are focused on age-related macular degeneration (ARMD), diabetic retinopathy, and innovation in vitreoretinal surgical instrumentation. Dr. Heier lectures nationally and internationally regarding innovative treatments of devastating eye diseases such as macular degeneration and diabetic retinopathy.

About OXiGENE, Inc.

OXiGENE is an emerging pharmaceutical company developing novel small-molecule therapeutics to treat cancer and eye diseases. The Company's major focus is the clinical advancement of drug candidates that selectively disrupt abnormal blood vessels associated with solid tumor progression and visual impairment. OXiGENE is dedicated to leveraging its intellectual property position and therapeutic development expertise to bring life saving and enhancing medicines to patients.

Safe Harbor Statement

Certain statements in this news release concerning OXiGENE's ophthalmology programs are considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, statements regarding: the expectation that enrollment in the MMD trial will be completed in the first half of 2006; the expectation that the MMD trial will be completed in the first half of 2006; the anticipation that OXiGENE will be poised to launch a pivotal Phase III clinical trial of Ca4P in MMD based on the data from the Phase II trial; the expectation that the Company will select by year end the most appropriate of the delivery methods under review for local administration of its VTAs to use in future clinical trials for the treatment of wAMD; the Company's belief that local administration could provide a competitive advantage over other agents; the Company's belief that local administration will be the optimal method of treating wAMD; and the Company's belief that local administration could reduce treatment time and discomfort. Any or all of the forward-looking statements in this press release may turn out to be wrong. They can be affected by inaccurate assumptions OXiGENE might make or by known or unknown risks and uncertainties, including, but not limited to: the early stage of product development; the ability to secure necessary patents; uncertainties as to the future success of ongoing and planned clinical trials; and the unproven safety and efficacy of products under development. Consequently, no forward-looking statement can be guaranteed, and actual results may vary materially. Additional information concerning factors that could cause actual results to materially differ from those in the forward-looking statements is contained in OXiGENE's reports to the Securities and Exchange Commission, including OXiGENE's 10-Q, 8-K and 10-K reports. However, OXiGENE undertakes no obligation to publicly update forward-looking statements, whether because of new information, future events or otherwise.

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