

Zysolin Shows Promising Results in Animal Study

AlphaRx's specially-formulated Tobramycin nanoparticles increase survival rate in mice infected with Gram negative *Pseudomonas Aeruginosa*, suggesting Zysolin has potential in the treatment of Cystic Fibrosis and Gram-negative pneumonia.

MARKHAM, Ontario, June 3, 2008 - AlphaRx (OTC BB:ALRX) is pleased to announce pre-clinical data on Zysolin™, a Tobramycin compound encapsulated in the company's Nano Drug Delivery Platform intended for the treatment of Cystic Fibrosis and an adjunctive treatment of Gram-negative pneumonia in intubated and mechanically-ventilated patients.

In the recent animal study, the therapeutic efficacy of Zysolin was investigated in a mouse model of *Pseudomonas aeruginosa* pneumonia. In this acute model, pneumonia developed rapidly, resulting in a high mortality rate, no mice survived after 24 hours of infection without treatment. Mice treated with Zysolin™ showed significantly better efficacy than Tobramycin, achieving 60% survival rate vs. 40% in the Tobramycin treatment group. An increase of survival by 50% or more, relative to vehicle control, indicates significant anti-microbial effect. The Tobramycin treatment group did not meet the study's end point.

Pseudomonas aeruginosa is a major cause of lung infections, particularly nosocomial pneumonia. Mortality rates of patients with *P. aeruginosa* pneumonia are higher than the mortality rates of patients with pneumonia caused by other pathogens because *P. aeruginosa* pneumonia frequently disseminates to cause bacteremia and sepsis. Currently, Gram-negative pneumonia carries a mortality risk as high as 50 percent in mechanically-ventilated patients.

About AlphaRx Inc.

AlphaRx is a specialty pharmaceutical company utilizing proprietary site-specific nanoparticulate drug delivery systems to develop novel formulations of drugs that are insoluble or poorly soluble in water or have yet to be administrable to the human body with an acceptable delivery method.

Forward Looking Statements:

This release contains forward-looking statements within the meaning and pursuant to the Safe Harbor provisions of the Securities Litigation Reform Act of 1995 and involve risks and uncertainties that may individually or mutually impact the matters herein described, including but not limited to product development and acceptance, manufacturing, competition, regulatory and/or other factors, which are outside the control of the companies.

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