Myrexis Reports Third Quarter Fiscal 2011 Results

Conference Call Today at 4:30 pm EDT

Upcoming Events

- Report Azixa® Phase 2a monotherapy results in recurrent glioblastoma multiforme (GBM) patients naive to treatment with Avastin® (bevacizumab) at American Society for Clinical Oncology (ASCO)
- Report Phase 1 study results for MPC-3100 (fully-synthetic Hsp90 inhibitor) in solid and hematological refractory cancer patients
- Present updated preclinical data for MPI-0485520, the Company's oral anti-interferon (OAI), at the Annual European Congress of Rheumatology (EULAR Congress)

Highlights

- Presented four posters on the Company's Hsp90 inhibitor program, including MPC-3100 and its prodrug MPC-0767 at the annual meeting of the American Association for Cancer Research (AACR)
- Presented five posters on its novel Cancer Metabolism Inhibitor (CMI), MPC-9528, at AACR
- Reorganized to align resources with current portfolio of clinical and preclinical drug candidates

SALT LAKE CITY, May 10, 2011 (GLOBE NEWSWIRE) -- Myrexis, Inc. (Nasdaq:MYRX), a biotechnology company focused on developing, and commercializing novel treatments for cancer, today reported financial results for its third fiscal quarter ended March 31, 2011.

Adrian N. Hobden, Ph.D., President and CEO of Myrexis, Inc., stated, "During the last quarter, we made the decision to focus all of our resources on the advancement of four clinical and preclinical programs. Each of these programs has generated novel drug candidates with first-in-class and/or best-in-class therapeutic potential. In addition, we enrolled patients in our two-arm Phase 2b study of Azixa, which is designed to support a future Phase 3 pivotal program as a first-line treatment for GBM. We look forward to presenting final Phase 2a data from our Azixa monotherapy study at ASCO next month."

"In April 2011, we presented nine posters at AACR, including data from our Hsp90 inhibitor program and our CMI program," continued Dr. Hobden. "Among other things, these data demonstrate synergistic activity when our drug candidates are used in combination with a variety of other anti-cancer drugs, suggesting multiple clinical opportunities for these earlier oncology programs."

Third Quarter Fiscal 2011 Financial Results (unaudited)

The Company ended its third fiscal quarter with $123.7 million in cash, cash equivalents and marketable securities. During the quarter, Myrexis used a total of $9.4 million of cash to fund its operations.

In March 2011, the Company announced a corporate reorganization to focus resources on its current portfolio of clinical and preclinical drug candidates. Among other things, the reorganization resulted in a reduction in the Company's workforce by 57 employees, primarily in the Company's internal drug discovery group and related support functions.

The Company estimates that the reorganization will generate annual expense reductions of approximately $7.2 million, primarily from savings in employee salaries and benefits and reductions in laboratory supply costs. Total estimated severance costs of $3.0 million were accrued during the third quarter fiscal 2011 relating to the workforce reduction. Out of the total accrued severance costs, approximately $700,000 was paid prior to March 31, 2011 and the remaining balance will be paid during the current fiscal quarter ending June 30, 2011.

Research revenue for the three and nine months ended March 31, 2011 was $55,000 and $185,000, compared to $30,000 and $90,000 in the same periods in fiscal 2010. Research revenue in all periods reflected charges under services agreements related to the characterization of protein-protein interactions. Following the reorganization in March 2011, the Company discontinued offering research services and expects its research revenue under such agreements will cease.

Research and development expenses for the three and nine months ended March 31, 2011 were $7.9 million and $18.6 million, compared to $7.2 million and $21.3 million in the same periods last year. The respective 10% increase and 12% decrease were due primarily to lower external drug development costs resulting from the discontinuation of the Company's HIV drug candidate MPC-4326, completion of patient enrollment in other clinical trials, and decreased preclinical development costs, offset by severance costs of $2.5 million recorded in the three and nine month periods ended March 31, 2011, as a result of the workforce reduction pursuant to the corporate reorganization.

Myrexis expects research and development expenses to fluctuate over the next several years as it conducts additional clinical trials to support the potential commercialization of drug candidates currently in clinical development. In particular, Myrexis expects external drug development costs to increase as it continues to enroll patients in its Phase 2b clinical trial for Azixa. Such increases will be offset, in part, by costs savings resulting from the March 2011 corporate reorganization.

General and administrative expenses for the three and nine months ended March 31, 2011 were $5.1 million and $13.9 million, compared to $6.9 million and $19.1 million for the same periods in fiscal 2010. These 26% and 27% decreases in general and administrative expenses were due primarily to a reduction in headcount in June 2010; and the inclusion of expenses associated with an acquisition proposal and litigation related expenses, in the prior year periods. These decreases were offset, in part, by increased facilities costs and severance costs associated with the March 2011 corporate reorganization.

Other income was $125,000 and $1.6 million for the three and nine months ended March 31, 2011, compared to $363,000 and $1.1 million for the same periods in fiscal 2010, respectively. Other income for the nine month period ended March 31, 2011, includes a one-time $1.2 million grant received in November 2010 as a part of the qualifying therapeutic discovery project under Section 48D of the Internal Revenue Code. This increase was offset, in part, by a reduction in interest income of $300,000 and $700,000 for the three and nine months ended March 31, 2011 earned on lower invested balances of marketable investment securities as compared to 2010.

The Company's net loss for the three and nine months ended March 31, 2011 was $12.8 million and $30.7 million, respectively, compared to $13.7 million and $39.1 million, respectively, for the corresponding periods in fiscal 2010. Basic and fully diluted net loss per share was $0.50 and $1.21 per share for the three and nine months ended March 31, 2011, respectively, compared to $0.56 and $1.60 for the corresponding periods in the prior year.

More detailed financial information and analysis may be found in the Company's Quarterly Report on Form 10-Q, which was filed with the Securities and Exchange Commission (SEC) on May 10, 2011.

Conference Call Details

The Company will hold a conference call on May 10, 2011 at 4:30 p.m. ET (1:30 p.m. PT) to discuss financial results for its third fiscal quarter ended March 31, 2011 and to provide an update on its clinical programs.

To participate, please dial:

877-312-5447 (USA) or

253-237-1129 (International)

Conference ID: 63522540.

To access the live web cast please visit the Investor Relations section on the corporate web site at www.myrexis.com.

A replay of the conference call will be available beginning May 10, 2011 at 7:30 p.m. ET (4:30 p.m. PT) and ending on June 10, 2011 by dialing:

800-642-1687 (USA) or

706-645-9291 (International)

Conference ID: 63522540.

A replay of the webcast will also be available on the corporate website for one month, through June 10, 2011.

About Myrexis, Inc.

Myrexis, Inc. is a biotechnology company focused on developing and commercializing novel treatments for cancer. The

Company has leveraged a unique understanding of the genetic causes of human disease to generate a strong pipeline of clinical and preclinical product candidates. These include compounds with distinct mechanisms of action and novel chemical structures that have first-in-class and/or best-in-class therapeutic potential. Myrexis is led by an experienced management team with expertise in all aspects of pre-clinical, clinical and commercial drug development.

The Company's oncology program is comprised of two clinical-stage programs and one pre-clinical stage program. Myrexis' pipeline is led by Azixa (verubulin, MPC-6827), a novel small molecule microtubule destabilizing agent which is targeted to the brain. It is in Phase 2b clinical development for the treatment of glioblastoma multiforme. The Company's Hsp90 program is comprised of novel, potent, small molecule oncology compounds including MPC-3100, a fully-synthetic and orally bioavailable inhibitor of Hsp90 in Phase 1 clinical development and MPC-0767, a novel L-alanine ester pro-drug of MPC-3100, with improved aqueous solubility. MPC-9528, currently in IND-enabling studies, is the lead pre-clinical candidate in the Company's Cancer Metabolism Inhibitor (CMI) program. Myrexis is also evaluating MPI-0485520, an orally bioavailable, potent and selective small molecule inhibitor of type I interferon that is being developed for the treatment of autoimmune diseases.

For more information, please visit www.myrexis.com.

The Myrexis, Inc. logo is available at http://www.globenewswire.com/newsroom/prs/?pkgid=6327

Forward Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to the attributes and potential efficacy, and the expected timing of development and reporting of data of Myrexis' product candidates. These "forward-looking statements" are based on management's current expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially and adversely from those set forth in or implied in such forward-looking statements. These risks and uncertainties include, but are not limited to, the factors discussed under the heading "Risk Factors" contained in Myrexis' Form 10-K, for the year ended June 30, 2010, which was filed with the Securities and Exchange Commission on September 13, 2010, as well as any updates to those risk factors filed from time to time in Myrexis' Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. All information in this press release is as of the date of the release, and Myrexis undertakes no duty to update this information unless required by law.

MYREXIS, INC.

Condensed Statements of Operations (Unaudited)

(In thousands, except per share amounts)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2011	**2010**	**2011**	**2010**
Research revenue	$ 55	$ 30	$ 185	$ 90
Costs and expenses:				
Research and development expense	7,935	7,190	18,646	21,287
General and administrative expense	5,088	6,926	13,889	19,090
Total costs and expenses	13,023	14,116	32,535	40,377
Operating loss	(12,968)	(14,086)	(32,350)	(40,287)

Other income, net	125	363	1,633	1,143
Net loss	$ (12,843)	$ (13,723)	$ (30,717)	$ (39,144)
Loss per basic and diluted share	$ (0.50)	$ (0.56)	$ (1.21)	$ (1.60)
Weighted-average shares used to compute net loss per basic and diluted share	25,605	24,603	25,392	24,400

MYREXIS, INC.

Condensed Balance Sheets (Unaudited)

(In thousands, except per share amounts)

	March 31, 2011	June 30, 2010
Assets		
Current assets:		
Cash and cash equivalents	$ 21,147	$ 35,911
Marketable investment securities	87,083	102,965
Prepaid expenses	1,101	453
Other current assets	60	—
Total current assets	109,391	139,329
Equipment and leasehold improvements:		
Equipment	6,095	6,035
Leasehold improvements	1,188	1,160
	7,283	7,195
Less accumulated depreciation	2,464	1,199
Net equipment and leasehold improvements	4,819	5,996
Long-term marketable investment securities	15,433	8,577
Other assets	206	206
Total assets	$ 129,849	$ 154,108
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 761	$ 1,927
Accrued liabilities	4,995	2,323
Total current liabilities	5,756	4,250
Commitments and contingencies		

Stockholders' equity:		
Preferred stock, $0.01 par value, authorized 5,000 shares; no shares issued and outstanding	—	—
Common stock, $0.01 par value, authorized 60,000 shares; 25,654 shares issued and outstanding at March 31, 2011; 25,214 shares issued and outstanding at June 30, 2010	256	252
Additional paid-in capital	201,452	196,532
Accumulated other comprehensive income	53	25
Accumulated deficit	(77,668)	(46,951)
Total stockholders' equity	124,093	149,858
Total liabilities and stockholders' equity	$ 129,849	$ 154,108

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