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## **NOVAVAX Announces Issuance of Key U.S. Patent for Influenza Virus-Like Particle (VLP) Vaccines**

- Patent claims cover technology for rapid, efficient, and uniform production of VLP vaccines from strains of seasonal and pandemic influenza.

Rockville, MD - July, 27, 2010 - Novavax, Inc. (NASDAQ:NVAX) announced today the issuance of U.S. Patent No. 7,763,450 for “Functional Influenza Virus-Like Particles (VLPS)”. The patent covers the use of influenza gene sequences for high-yield production of consistent influenza VLP vaccines to protect against current and future seasonal and pandemic strains of influenza viruses.

Novavax’s newly patented influenza vaccine technology utilizes hemagglutinin (HA) and neuraminidase (NA), major proteins found on the surface of the influenza virus together with a single influenza matrix 1 (M1) protein, to form the core of the influenza VLP. As new influenza strains emerge, Novavax’s technology allows HA and NA to be engineered to match strains recommended by U.S. and world health regulatory authorities and then combined with a universal M1 protein. Novavax has identified an M1 protein that efficiently forms VLPs from multiple influenza strains, including the human A and B strains that are currently responsible for the disease world wide. This process promotes rapid and efficient production of VLPs that have a more uniform shape and size, which Novavax believes will add to the consistency and safety of its vaccines.

“Our VLP technology overcomes a major limitation of the current influenza virus vaccine technology that depends on strain selection and optimization every year. It enables faster production of vaccine for the target influenza strain than the existing, egg-based process which resulted in significant delays in the manufacture of vaccines during the 2009 H1N1 pandemic emergency,” said Dr. Gale Smith, Vice President of Vaccine Development at Novavax and one of the senior inventors of the VLP technology.

“This patent strengthens our competitive position around our core technology that allows us to produce recombinant influenza VLP vaccines. We are grateful to our scientific team that pioneered this innovative and elegant approach to manufacturing efficient, high-quality, immunogenic influenza vaccines,” said Dr. Rahul Singhvi, President and CEO of Novavax.

**About Novavax**

Novavax, Inc. is a clinical-stage biopharmaceutical company creating novel vaccines to address a broad range of infectious diseases worldwide, including H1N1, using advanced proprietary virus-like-particle (VLP) technology. The company produces potent VLP-based recombinant vaccines utilizing new and efficient manufacturing approaches. Novavax is committed to using its VLP technology to create country-specific vaccine solutions. The company has formed a joint venture with Cadila Pharmaceuticals, named CPL Biologicals, to develop and manufacture vaccines, biological therapeutics and diagnostics in India. Additional information about Novavax is available on the company's website: [www.novavax.com](http://www.novavax.com).

### **Forward Looking Statement**

*Statements herein relating to future development results and performance, conditions or strategies and other matters, including expectations regarding product and clinical developments, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act. Novavax cautions that these forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Factors that may cause actual results to differ materially from the results discussed in the forward-looking statements or historical experience include risks relating to the ability of Novavax to effectively maintain and defend its technology patents and patent applications in the United States and in the rest of the world; the early stage of Novavax's product candidates under development; current results may not be predictive of future results; further testing is required before an IND may be filed with the FDA and human clinical trials can begin; uncertainties relating to clinical trials; results in human clinical trials may not be consistent with animal study results; dependence on the efforts of third parties; competition for clinical resources and patient enrollment from drug candidates in development by other companies with greater resources and visibility; and risks that we may lack the financial resources and access to capital to fund our operations including further preclinical work and clinical trials. Further information on the factors and risks that could affect Novavax's business, financial conditions and results of operations, is contained in Novavax's filings with the U.S. Securities and Exchange Commission, which are available at <http://www.sec.gov>. These forward looking statements speak only as of the date of this press release, and Novavax assumes no duty to update forward-looking statements.*