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**Achaogen Awarded Contract Worth up to \$64 Million by BARDA for the
Development of ACHN-490**

- Achaogen has Raised More Than \$150 Million in Non-Dilutive Funding -

SOUTH SAN FRANCISCO, Calif., August 30, 2010 – [Achaogen](#), a biopharmaceutical company discovering and developing innovative antibiotics to treat life-threatening, multi-drug resistant (MDR) bacterial infections, today announced the award of a contract with [The Biomedical Advanced Research and Development Authority](#) (BARDA), within the Office of the Assistant Secretary for Preparedness and Response in the U.S. Department of Health and Human Services. The contract covers development, manufacturing, and regulatory activities that would position Achaogen's lead antibiotic candidate ACHN-490 for the treatment of certain biothreat agents, including *Yersinia pestis*, which causes bubonic plague, and *Francisella tularensis*, which causes tularemia. The same activities will also provide significant value to the Company's overall development program for ACHN-490, which includes other life-threatening indications such as complicated urinary tract infections and hospital-acquired pneumonia.

The contract includes a two-year base period with committed funding of \$27 million and subsequent option periods that, if completed, would bring the total value of the award to \$64.5 million.

“We are pleased to be the first awardee from BARDA's broad-spectrum antimicrobial initiative” said J. Kevin Judice, Ph.D., chief executive officer and chief scientific officer of Achaogen.

“BARDA serves a critical leadership role in the global effort to combat bacterial biothreats and multi-drug resistance at a time when commercial investment is insufficient to meet the challenges we are facing. We look forward to working with BARDA and contributing to global efforts to combat bacterial biothreats and bacterial resistance as we continue the development of ACHN-490.”

With this award, Achaogen has secured significant, non-dilutive funding for all of its ongoing drug discovery and development programs. In aggregate, upon successful completion of its existing government contracts, Achaogen will have received more than \$150 million in non-dilutive funding.

About ACHN-490

ACHN-490, Achaogen's most advanced compound, combines excellent solubility, stability, and physicochemical properties with an *in vitro* spectrum of activity that includes current and emerging multi-drug resistant (MDR) pathogens. ACHN-490 has been chemically engineered to retain activity against bacteria resistant to carbapenems, cephalosporins, fluoroquinolones, tetracyclines, and legacy aminoglycosides. It has demonstrated potent bactericidal activity *in vitro* and efficacy in preclinical animal models against infections caused by MDR Gram-negative bacteria (e.g., *K. pneumoniae*, *E. coli*, and *P. aeruginosa*) and MRSA. ACHN-490 Injection is being investigated in a randomized, double-blind, comparator-controlled Phase 2 clinical study for the treatment of complicated urinary tract infection (cUTI), the most commonly treated hospital infections in the U.S., and acute pyelonephritis. Subsequent clinical studies are being considered to evaluate ACHN-490 Injection in additional indications, including hospital-acquired pneumonia (HAP), ventilator-associated pneumonia (VAP), complicated intra-abdominal infections (cIAI) and blood stream infections (BSI).

About Achaogen

Achaogen is a clinical stage biopharmaceutical company focused on the discovery and development of broad-spectrum antibiotics to treat multi-drug resistant bacterial infections. Resistance to available antibacterial therapies continues to rise at an alarming rate, and Achaogen is applying its anticipatory science to meet this evolving need, developing drugs today that will combat tomorrow's resistant pathogens. Through the use of non-dilutive funding from partnerships with the NIH, the Department of Defense, and BARDA to augment funding from venture investors, Achaogen has established specialized capabilities that have enabled the company to pursue multiple discovery and development programs.

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