

Cerep Signs Licensing Agreement With Xenometrix Inc.

Paris, France, 22 June 1998 - Cerep S.A., (Nouveau Marché: CEREP) the French drug discovery company, announced today that it has signed an agreement with Xenometrix Inc., (OTC:BB), a U.S. biotechnology company, giving Cerep access to an issued European patent and pending U.S. patent and certain rights of sub-license. The license is non exclusive and covers gene expression profiling utilizing a broad range of technologies including proteomics, and high density probe arrays. Xenometrix's technology includes genetically engineered and primary cells with genes which turn on or off in the presence of pharmaceutical compounds. Access to this technology allows Cerep to investigate gene response profiles of compounds. Consequently this provides the Company with the necessary tools to increase efficiency and lower costs - both challenges inherent in drug lead optimisation.

"This license is a major step forward in maintaining our leadership position in pharmacological profiling", said Thierry Jean, Chairman and CEO of Cerep S.A. "Gene profiling is one of several technologies that we intend to pursue as part of our drug discovery platform. Immediate applications will focus in the area of toxicity. As such, the technology licensed from Xenometrix fits nicely with Cerep's current strategy based on high throughput hit selection systems".

Xenometrix based in Boulder, Colorado is a biotechnology company with proprietary gene response profiling technology designed to help the pharmaceutical industry, chemical and biotechnology companies accelerate the selection of the most promising drug and chemical leads.

Cerep is a drug discovery company that integrates high-throughput profiling of lead candidates into the iterative process of screening libraries, selecting hits, and generating optimised libraries. Cerep has created a profitable business based on the supply of combinatorial libraries and a pharmacological profiling service to over 100 pharmaceutical laboratories world-wide. In addition, the Company is developing corporate partnerships with pharmaceutical companies for lead identification, and intends to pursue its own drug discovery programme. In February, Cerep completed its IPO on the Nouveau Marché raising a total \$15 million. Simultaneous with the offering, the French pharmaceutical company, Sanofi, made an equity investment of \$3.7 million at the IPO price of FF225, constituting Cerep's first corporate alliance in drug discovery.

Statements included in this press release which are not historical in nature are intended to be, and are hereby identified as, "forward-looking statements" for purposes of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words including "anticipates", "believes", "intends", "estimates", "expects" and similar expressions. The company cautions readers that forward-looking statements, including without limitation those relating to the company's future operations and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements. Factors that may affect future operations and business prospects include, but are not limited to, clinical and scientific results and developments concerning corporate collaborations and the company's proprietary rights and other factors described in the prospectus relating to the company's recent public offering.