Oxis International Receives $1 Million Up-Front Payment from Licensing Deal with Synvista Therapeutics

Synvista Purchases Stock at $0.24, Representing a Significant Premium to Market Price of Oxis Stock

FOSTER CITY, Calif.--

Oxis International Inc. (OTCBB: OXIS), a biopharmaceutical company focused on commercializing predictive biomarkers, clinical assays and nutraceutical and therapeutic products, announced today that the Company has received $500,000 in funding, which was the initial payment due under the license agreement with Synvista Therapeutics, Inc. (AMEX: SYI) for BXT- 51072 (ALT 2074). This license agreement was initially announced on April 9, 2007 and the licensing fee was to be paid following the closing of a Synvista financing approved by the Synvista shareholders. Synvista Therapeutics was formerly known as Alteon, Inc.

Under the terms of the license agreement, Synvista had to initially pay Oxis $500,000 and invest $500,000 in Oxis common stock, at a per share price equal to 125% of the quoted price of Oxis' common stock immediately prior to the date of the investment, and no less than $0.24 per share. Oxis' stock closed yesterday at $0.13 per share. Oxis is also entitled to receive development milestones payments as well as royalties from the sales of products developed from the license.

"The outlicensing of BXT 51072 from our antioxidant drug portfolio represents a significant opportunity for Oxis," stated Marvin S. Hausman MD, Pres./CEO of Oxis International. "The one million dollars received represents non-dilutive financing for our Company and reflects the potential for BXT 51072. We look forward to working with Synvista on the development of this promising product."

"Approximately 200,000 diabetics with the haptoglobin 2/2 genetic marker will experience a heart attack each year and there are more than 7 million diabetics who carry this marker in the United States alone," said Noah Berkowitz, MD, Ph.D., CEO of Synvista
"ALT-2074 (BXT-51072) is a new molecular entity and a new therapeutic treatment strategy. The potential size of the market for the prevention of cardiovascular events in diabetics carrying this genetic biomarker could range from $600 million to more than $2 billion."

ALT-2074 (BXT 51072) is a glutathione peroxidase mimetic in clinical development for reducing the morbidity and mortality of patients with diabetes following a myocardial infarction. ALT-2074 has demonstrated potential efficacy in animal models of heart attack and in a 20-patient clinical trial in ulcerative colitis. Synvista’s goal is to develop ALT-2074 in acute coronary syndrome as a targeted drug for high risk diabetic patients. The compound has demonstrated the ability to reduce infarct size by approximately 85 percent in a mouse model of heart attack called ischemia reperfusion injury. It is currently being evaluated in a clinical trial for evidence of myocardial protection following angioplasty in high-risk diabetic patients. This Phase 2 clinical study was opened for enrollment in Israel, in May 2006. Synvista expects to report interim results of this trial later in 2007. In June 2007, the company initiated a Phase 2 study using ALT-2074 in diabetic patients, testing positive for a marker of increased cardiovascular risk (haptoglobin genotype testing). Patients are being treated with ascending doses of ALT-2074 or placebo for 28 days as we track inflammatory biomarkers and functional improvement in their reverse cholesterol transport. Results from this study are anticipated in the first quarter of 2008.

About OXIS and BioCheck:

OXIS International, Inc. develops technologies and products to research, diagnose, treat and prevent diseases of oxidative stress associated with damage from free radical and reactive oxygen species and the related increased inflammation that accompanies oxidative stress. OXIS presently holds the rights to three therapeutic classes of compounds in the treatment of oxidative stress, and has focused commercialization programs in clinical cardiovascular markers, including MPO (myeloperoxidase) and GPx (glutathione peroxidase), as well as the super potent antioxidant, Ergothioneine, that is planned to be introduced as an over-the-counter nutraceutical supplement. OXIS's customers include leading pharmaceutical companies such as Pfizer, Glaxo Smith Kline and Genzyme and universities such as Baylor College of Medicine, University of Minnesota, Virginia School of Technology, distributors and government laboratories. OXIS has acquired a 51% interest in BioCheck, with the option to purchase the remaining 49%.

BioCheck is a provider of high quality enzyme immunoassay research services and products, and a leading provider of immunoassay kits for cardiac and tumor biomarkers, infectious diseases, thyroid function, steroids, and fertility hormones. BioCheck operates a 15,000 square-foot, U.S. Food and Drug Administration (FDA) certified cGMP, and ISO device-manufacturing facility in Foster City, California.


The statements in this press release that are not purely historical are forward-looking
statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including, without limitation, statements regarding our expectations, objectives, anticipations, plans, hopes, beliefs, intentions or strategies regarding the future. Factors that could cause actual results to differ materially from the forward-looking statements include risks and uncertainties indicated in the company's filings with the Securities and Exchange Commission. It is important to note that actual outcomes could differ materially from those in such forward-looking statements.

Source: Oxis International Inc.