

PRESS RELEASE

BIOVEX COMPLETES \$70 MILLION FINANCING TO CONCLUDE PIVOTAL STUDY WITH ITS PIONEERING CANCER TREATMENT, ONCOVEX^{GM-CSF}

Woburn, MA, November 10, 2009 -- BioVex Inc, a company developing new generation biologics for the treatment and prevention of cancer and infectious disease, announced today that it has concluded a \$70 million private financing, raising \$30 million in addition to the \$40 million announced in March. The proceeds of the financing will primarily be used to complete the ongoing Phase III pivotal study of OncoVEX^{GM-CSF} for the treatment of recurrent and metastatic melanoma and to fund pre-commercialization activities.

The second close placement was co-led by Morningside Venture, Ventech and MVM Life Science Partners who were joined by other new investors including Sectoral Asset Management and Ysios Capital Partners. Reenie McCarthy for Morningside, Mounia Chaoui of Ventech and Steve Reeders of MVM Life Science Partners will join the BioVex board of directors.

“Securing this financing is a significant milestone that puts BioVex in a strong financial position to complete its first pivotal study with OncoVEX in metastatic melanoma, with a view to submitting a Biologics License Application filing in mid 2011,” said Philip Astley-Sparke, President and CEO of BioVex. “We believe this over-subscribed funding round is the largest for a private clinical stage biotech company this year and is a validation of our clinical and regulatory achievements. We have generated encouraging data in four tumor types and beyond melanoma have agreed to an additional Phase III pivotal protocol with the FDA under the Special Protocol Assessment procedure in head and neck cancer.”

“Pending the successful conclusion of its first pivotal study, OncoVEX is positioned to become the first cancer destroying virus to reach the market in the United States,” said Steve Reeders of MVM Life Science Partners. “Given the strength of the Phase II data in melanoma, we are optimistic that OncoVEX will meet its primary endpoint in the current Phase III study and that its potential will be realized in melanoma and subsequently many other hard to treat solid tumors.”

“We were impressed by the number of durable complete remissions following OncoVEX therapy in both metastatic melanoma and head and neck cancer,” said Reenie McCarthy of Morningside. “OncoVEX is an extremely promising treatment for many hard to treat solid tumor types and we look forward to working with management to fully realize the potential of this first-in-class biologic.”

About BioVex

BioVex is a privately held biotechnology company based in Woburn, MA where it also has an operational launch grade manufacturing facility. The Company is developing a new class of potent biologics for the treatment of cancer and prevention of infectious disease.

The Company's lead cancer treatment, OncoVEX^{GM-CSF}, is a first-in-class oncolytic, or cancer destroying virus, that works by replicating and spreading within solid tumors (leaving healthy cells unaffected), thereby causing cancer cell death and stimulating the immune system to destroy un-injected metastatic deposits. Both modes of action have been clearly validated in the clinic, where multiple patients with metastatic disease progressing at enrollment have been declared disease free. BioVex believes OncoVEX^{GM-CSF} has the potential to become a leading standard of care in the treatment of many solid tumors based on the strength of clinical data so far generated coupled with the relatively benign side effect profile noted to date. Previous clinical trials have enrolled patients with breast cancer, melanoma, head and neck cancer and pancreatic cancer, with indications of clinical activity being observed in each. The Company recently commenced a Phase III study in metastatic melanoma following the achievement of an unprecedented proportion of durable complete remissions in a Phase II study using OncoVEX^{GM-CSF} as a stand alone therapy. An overview of the Phase II melanoma results is available on the BioVex website. In September 2009 the Company received approval under the SPA procedure in relation to a second Phase III study in head and neck cancer.

The Company's second program is a vaccine for genital herpes, ImmunoVEX^{HSV2}, which provides complete protection in animal models of the disease. The vaccine has been authorized to commence clinical testing in the United Kingdom.

For further information, please go to www.biovex.com.

About Morningside

Morningside is a diversified investment group founded in 1986 by the Chan family of Hong Kong. It is engaged primarily in private equity and venture capital investments. The group has investments in North America, Europe, across Asia-Pacific, and since 1992, in Mainland China. Morningside was one of the earliest institutional investors in China's internet industry and in recent years has been an active investor in China's emerging biotechnology sector. More information is available at www.morningside.com.

About MVM Life Science Partners

MVM Life Science Partners LLP manages three venture funds totaling more than \$500 million and invests in companies that discover, develop and commercialize innovations in biotechnology, pharmaceuticals and medical devices for the life science and healthcare markets. MVM has offices in London and Boston, making investments predominantly in Europe and the US, and has a growing team with wide-ranging experience across the life science and private equity markets. More information is available at www.mvmlifescience.com.

About Sectoral Asset Management

Sectoral Asset Management is an SEC-registered investment advisor based in Montreal whose focus is managing global equity portfolios by industry. Sectoral has one of the world's longest track records in managing biotech equities and is a sub-advisor of numerous healthcare and biotech funds offered by partners in Europe, USA, Canada, Japan, Taiwan and Korea. Sectoral

has also launched an alternative investment fund that offers an attractive exposure to the growing healthcare/biotech sector through both long and short positions. The firm's assets are US\$4.0 billion as of September 30, 2009. More information is available at www.sectoral.com.

About Ventech

Ventech is a venture capital firm with more than €360 million (\$540 million) under management. Created 10 years ago Ventech invests in innovative companies in both the Information Technology and Life Science sectors. Originally based in Paris, Ventech is now also present in China. In the Life Science sector, the objective is to invest primarily in Europe and the US with a specific focus towards drug discovery, diagnostics and medical device technologies. More information is available at www.ventechvc.com.

About Ysios

Ysios Capital Partners is a new Spanish venture capital firm that launched its first fund of \$100 million in 2008 and invests in innovative life science companies. Ysios has offices in Barcelona and San Sebastian (Spain), making investments globally with a special focus on the Spanish market. Ysios has a team of eight professionals with diverse backgrounds in life sciences and healthcare, venture capital, managing start-ups, and corporate finance. With this investment, Ysios has three portfolio companies: Cellerix (Cell therapy–Madrid), EndoSense (Medical devices–Geneva) and BioVex (Oncology–Boston). More information is available at www.ysioscapital.com.