



Afexa Life Sciences Inc.

NEWS RELEASE

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Exciting New Product Candidates Position Afexa for Growth

EDMONTON, AB (TSX:FXA) – An interesting and diverse line-up of scientifically derived natural medicines, currently at various stages of development and commercialization, is positioning Afexa Life Sciences Inc. (“Afexa” or the “Company”) for positive and sustainable growth and diversification, Afexa Chairman and CEO Jack Moffatt announced at the Company’s annual general meeting (“AGM”) today.

“Ultimately, our goal is to bring to market a basket of natural health products, each of which is aimed at clearly identified needs among millions of health-conscious people, using Afexa’s proven and unique approach of comprehensive scientific research and clinical testing,” Moffatt said to Afexa’s shareholders. “This builds on the strength and experience of the COLD-FX[®] brand as our model and positions our Company for growth, diversification and increased market penetration within Canada and international markets.”

Mr. Moffatt indicated that the Company currently does not intend to enter international markets in the absence of a collaborator.

Afexa is the maker of COLD-FX, the Canadian market leader among cold and flu remedies. The Company also distributes IMMUNITY-FX[®] across Canada and has more limited distribution of CELL-FX[®], REMEMBER-FX[®] and MEMORY-FX[®].

Under the direction of Dr. Jacqueline Shan, Afexa’s Chief Scientific Officer, the Company has been working on a number of new natural medicines aimed at empowering people to achieve their health potential, with a particular focus on the health conditions of an aging population, which include cardiovascular disease, cancer, diabetes and cognitive/brain health.

New Product Pipeline

Afexa’s current pipeline of potential new products includes:

- Cholesterol Management
New proprietary formulation to improve cholesterol levels, with a pilot open clinical study currently in progress;

- COLD-FX Pediatrics
Aimed at children under 12; successfully completed first safety clinical trial; a double-blind, placebo controlled efficacy clinical trial is planned;
- Allergy
Aimed at adults and children over 12; currently conducting first double-blind clinical trial with 200 participants having confirmed seasonal allergies, targeting for completion in the next 12 months;
- Cancer Support
Positive pre-clinical lab studies for leukemia support from research at McGill University; National Cancer Institute supported and Wake Forest University (WFU) conducted clinical trial undergoing analysis, with encouraging initial signals showing reductions in some symptoms and reduction in serious adverse events; further clinical study in planning stages with WFU;
- Brain Health
Three separate clinical trials have shown the active ingredients 1) improve memory in normal adults 2) improve working memory in schizophrenia patients and 3) reduce oxidative stress which is associated with many diseases, including neurodegeneration, and is the result of molecules known as free radicals damaging important cell components, such as proteins, cell membranes and DNA; further clinical trials planned for oxidative stress and brain function;
- Glucose Management
Clinical study in planning stage following positive laboratory study;
- Blood Pressure Management
Recent Afexa research has discovered two possible formulations to lower blood pressure, with further pre-clinical studies in planning;
- TLR Therapeutics
Afexa's research has discovered potential botanical toll-like receptor (TLR) modulators. These are a class of molecules that can target multiple organs and tissues, including specific immune cells and have the potential to fight a variety of diseases including cancer and some chronic viral infections. Afexa is evaluating the opportunities for advancing the development of these potential therapeutics.

Product Development Process

Afexa's product development platform is unique within the natural medicines sector. The Company employs stringent levels of pre-clinical and clinical standards in research and testing similar to those used in the conventional pharmaceuticals sector, and uses a patented platform technology—ChemBioPrint[®]—to identify and measure both the active chemical substance found in natural materials, as well as the actual biological and pharmacological response and benefits of the active components.

The ChemBioPrint technology ensures batch-to-batch consistency and reliable health benefits and safety for all of Afexa's natural medicines.

The Company feels that certain Afexa products potentially fit the criteria for development under a relatively new drug industry defined by the United States Food and Drug Administration (FDA) as the botanical drug industry. The Investigational New Drug process (IND) for botanical drugs serves as the basis for a New Drug Application (NDA) to permit the marketing of a polymolecular based botanic product as a drug. While this is potentially a faster route to approval and commercialization than the traditional drug pathway, it is still a multi-year process as the NDA must contain substantial evidence of effectiveness derived from adequate and well-controlled clinical studies, evidence of safety, and adequate information on chemistry, manufacturing and controls (CMC). The Company is considering seeking botanical drug registration in the United States.

“We're very excited at the progress our scientific team is making in the discovery and testing stages of so many new product candidates,” Moffatt said. “These formulations have diverse potential applications in numerous areas of clear medical need. As we continue this exciting discovery and development work, we will select product candidates that are most likely to address current and forthcoming consumer needs. We foresee Afexa's next new product coming to market as early as calendar 2012. In the meantime, we are in the process of completing an in-licensing agreement for a natural health product that meets our standards and is consistent with our vision and mission,” said Moffatt.

“Our challenge going forward is expanding our market penetration and building on our solid brand for existing products, moving toward new markets and products and becoming a more efficient operation as we endeavour to build shareholder value,” concluded Moffatt.

Other Business

At the AGM shareholders also voted to re-elect Ernst & Young LLP as the Company's external auditors and re-elected all the members of Afexa's Board of Directors. The Directors are:

- Jack Moffatt, Chairman
- J. Douglas Gilpin, Lead Director
- Maurice (Ted) Bilyea
- Robert B. Church
- John A. Rogers
- David T. Weyant
- William B. White

ABOUT AFEXA LIFE SCIENCES INC.

Afexa Life Sciences Inc., founded in 1992, strives to deliver the most trusted health brand on the planet through pioneering evidence-based natural medicines that empower people to achieve their health potential. The Company's patented ChemBioPrint discovery and standardization technology enables the development of effective and safe medicines from complex natural sources, while ensuring reliable health benefits and batch-to-batch consistency. COLD-FX, a ChemBioPrint product, is the Company's flagship product and Canada's leading over-the-counter (OTC) cold and flu remedy. It is officially indicated in Canada to help reduce the frequency, severity and duration of cold and flu symptoms by boosting the immune system. COLD-FX products have product licenses (NPN) and are supported by scientific evidence, including randomized, double-blind, placebo-controlled clinical trials.

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Advisory Regarding Forward-Looking Statements

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "would", "project", "could", "should", "contemplate", "potential", "depend", "forecast", "believe", "plans", "targets", "intends" and similar expressions are intended to identify such forward-looking statements. These forward-looking statements reflect the Company's beliefs and are based on information currently available to us. These statements require Afexa to make assumptions that it believes are reasonable and are subject to inherent risks and uncertainties. Actual results and developments may differ materially from the results and developments discussed in the forward-looking statements as certain of these risks and uncertainties are beyond Afexa's control. The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon.

Examples of such forward-looking statements in this news release include, but are not limited to:

- the expectation of positive and sustained growth and diversification for the Company and increased market penetration within Canada and internationally;*
- the Company's goal to bring to market a basket of natural health products;*
- the Company's belief that it will continue to be profitable and self-fund operations;*
- whether the Company's product candidates, including in the areas of cholesterol management, COLD-FX pediatrics, allergy, cancer support, brain health, glucose management and TLR modulators will be successful in clinical trials leading to regulatory approvals and commercialization;*
- the expectation that Afexa will continue as a market leader in Canada;*
- whether Afexa will seek US botanical drug registration in the U.S. for one or more of its products and, if it does, whether Afexa will be successful in gaining such regulatory approval;*
- whether international market diversification will take place and if it does, whether Afexa will be successful in penetrating international markets;*
- whether Afexa will be successful in achieving suitable collaborations for international marketing;*
- whether the Company will meet its timelines for new product candidates;*
- whether Afexa will maintain its uniqueness in the marketplace; and*
- whether or not all of the corporate initiatives will lead to value creation and strengthening of the share price.*

The Company believes the expectations and assumptions reflected in the forward-looking information and statements contained herein are reasonable. However, no assurance can be given that these expectations and assumptions are correct and that the results, performance or achievements expressed in, or implied by, forward-looking statements within this disclosure will occur, or if they do, whether any benefits may be derived from them. All forward-looking statements are expressly qualified in their entirety by this cautionary statement.

The forward-looking information and statements contained in this presentation speak only as at the date of this AGM, and the Company assumes no obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Investors are encouraged to consult SEDAR filings for more details on forward-looking statements and associated risks. The Company claims exemption under U.S. SEC Rule 12g3-2(b).