



For Immediate Release

**VICTORY PHARMA INITIATES PHASE II STUDY OF
MGX-001 IN ACUTE MODERATE TO SEVERE PAIN**

SAN DIEGO, CA (June 5, 2006) – Victory Pharma, Inc. announced today the first patient dosing for a phase II clinical trial of MGX-001, a combination opioid product intended to reduce a traditional side effect of chronic opioid therapy. This study is a randomized, double-blinded, placebo controlled, crossover study designed to assess the safety and efficacy of MGX-001 in chronic moderate to severe pain. Victory will conduct the study at multiple sites across the United States in conjunction with a leading clinical research organization.

“We are pleased to initiate the clinical investigation of MGX-001 in the US,” said Matt Heck, President of Victory. “Proof of concept for MGX-001 in chronic moderate and severe pain should allow for rapid initiation of a pivotal trial followed by submission for approval under 505(b)2 regulations to the FDA. Additionally, it will pave the way for development and partnership of this product in regions outside North America.”

The field of pain management has experienced significant growth in the recent years. Based on data provided by NDC Health, an independent pharmaceutical market research firm, sales of prescription pharmaceutical products in the U.S. used to treat pain conditions and diseases totaled \$19 billion in 2004 and increased at a compound annual growth rate of 15% from 2000 to 2004. We believe that many factors are continuing to drive growth in the pain management market, including new technologies, an unsatisfied marketplace with increased patient demand for pain relief and an aging population.

About MGX-001

MGX-001, intends to be the first product clinically shown to reduce the sedative effects caused by opioid therapy which can limit pain relief, therapy options and quality of life. According to DataMonitor in 2004, “the greatest unmet needs in nociceptive pain are improved efficacy and fewer side effects”. MGX-001 is the first in a series of products we plan to develop from our intellectual property estate. MGX-001 is scheduled to launch in 2009 with MGX-002 to follow in 2010 and potential for additional products to follow in 2011 and beyond. Combined peak annual revenues for both MGX-001 and MGX-002 are forecast to exceed several hundred million dollars US.

About Victory Pharma, Inc.

Victory Pharma, Inc. is a privately held, specialty pharmaceutical company headquartered in San Diego, CA focused on acquiring, developing and marketing products to treat pain and related products. Victory is currently developing several proprietary products for the treatment of chronic severe pain and commonly associated opiate-induced side effects. Further information regarding Victory is available at www.victorypharma.com.

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