



Exelixis Pharmaceuticals And Pharmacia & Upjohn Expand Research Collaboration

November 4, 1999

Exelixis Pharmaceuticals, Inc. today announced the expansion of its research collaboration with Pharmacia & Upjohn, which is currently focused on the identification of novel targets in the area of Alzheimer's Disease and metabolic syndromes. The collaboration will include the utilization of technology developed for Exelixis' Mechanism of Action (MOA) Program in addition to the PathFinder™ technology.

Exelixis, a leading model systems genetics, genomics and informatics company, uses its *C. elegans* and *Drosophila* technology to identify novel drug targets. The MOA program is focused on the identification of molecular targets of existing compounds in order to direct medicinal chemistry efforts to develop better lead compounds.

"The technology we have developed for the MOA Program provides a means for Exelixis to leverage our ability to use target-based model genetic systems to rapidly identify pharmaceutical targets," stated Geoffrey Duyk, Chief Scientific Officer of Exelixis. "This is the second in what we expect will be a series of collaborations focused on this approach. We are extremely pleased with the progress of the collaboration between Pharmacia & Upjohn and Exelixis and look forward to identifying novel targets using both our proprietary PathFinder™ and MOA technology."

Under the terms of its collaboration agreement, Exelixis will receive substantial committed funding in the form of research support, upfront payment and equity during the five-year term with milestone payments, as well as royalties based on the future sales of products arising from the collaboration. Subject to certain rights of Pharmacia & Upjohn, Exelixis has retained the rights to develop small molecule therapeutics outside the field of the sponsored research as well as in the field(s) of research for targets not selected by Pharmacia & Upjohn. In addition, Exelixis retains all rights with respect to agriculture, animal health, and, subject to certain rights of Pharmacia & Upjohn, rights for the development of potential biotherapeutic products arising from the collaboration.