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VAXART RAISES \$12.5 MILLION SERIES B FINANCING

SAN FRANCISCO, CA, March 3, 2010 -- Vaxart, Inc., a San Francisco biotechnology company developing oral-delivery vaccines, has closed a \$12.5 million Series B financing, led by Care Capital of Princeton NJ. The funding will be used to advance the Company's lead product, an oral vaccine for Avian influenza, through Phase I clinical trials.

"We are excited to be within a year of launching Phase I clinical trials of our potentially revolutionary platform technology, and delighted to be working with investors with the stature and experience of Care Capital," said Acting CEO Michael J. Finney, Ph.D.

As part of the Series B closing, Richard Markham and Jan Leschly of Care Capital have joined Vaxart's board. "Care Capital believes that vaccines represent an opportunity to improve health outcomes worldwide, and that Vaxart represents an opportunity to change the way vaccines are delivered," said Mr. Markham.

About Vaxart Technology

Vaxart exploits a proprietary approach to vaccine creation invented by its founder, Dr. Sean Tucker, who serves as the company's Vice President of Research. The company believes this platform will enable it to produce a portfolio of oral-delivery vaccines easily and quickly.

Central to Vaxart's approach is its unique adjuvant, the vaccine component that enhances immune responses. Vaxart uses an adjuvant that works through a "toll-like receptor" (TLR). Vaxart's approach employs TLR3 – the only TLR known to be fully active in the gastrointestinal tract – to stimulate a potent immune response when the vaccine is given in a pill instead of being injected.

Vaxart's technology also enables all its vaccines to use the same vector, or delivery vehicle. Usually, each vaccine requires a different vehicle, because people who have been vaccinated build antibodies against the vehicle, making later vaccinations with the same vehicle less effective. Vaxart has demonstrated strong immune responses against multiple targets following a series of oral vaccines built on the same vehicle. Vaxart believes it will be able to produce new vaccines through a standardized low-cost process, with low regulatory risk because data from one vaccine will help establish the safety of others.

The Vaxart Avian Flu Vaccine Program

The recent emergence of pandemic H1N1 flu has underlined the importance of being prepared for pandemic illnesses. Avian flu is an ideal first test for Vaxart's technology, due to its capability to quickly protect people against new threats. In studies completed in 2008, the vaccine successfully protected large animals against death from Avian flu infection.

About Vaxart

Vaxart (www.vaxart.com) is a San Francisco biotechnology company developing oral-delivery vaccines. The vaccines incorporate a proprietary adjuvant, which boosts the immune response, enabling a vaccine to be effective when swallowed in a pill or capsule. Moving forward, Vaxart intends to develop next-generation, oral alternatives to existing vaccines with proven market potential.

About Care Capital

Care Capital LLC (www.carecapital.com) is an investment firm focusing on opportunities in life sciences, particularly companies involved in pharmaceuticals, biotechnology and emerging science and information technology serving the life sciences industry.

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