

Charles River and Sangamo Biosciences to Collaborate in the Development of Transgenic Rat Models

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WILMINGTON, Mass. & RICHMOND, Calif., Jul 11, 2001 (BW HealthWire) -- Charles River Laboratories International, Inc. (NYSE: CRL), through its wholly-owned subsidiary Charles River Laboratories, Inc., and Sangamo BioSciences, Inc. (NASDAQ: SGMO) today announced that they have entered into a technology partnership agreement to apply Sangamo's novel gene regulation technologies to the creation of so-called "transgenic," or genetically engineered, rat research models. Transgenic animal models are expected to offer biomedical researchers a new research tool for use in the discovery and development of drugs to treat human disease. The collaboration will initially involve the application of Sangamo's unique gene regulation technology to the creation of a novel rat model for use in developing new drugs and therapies for cancer.

For several years, the research community has focused on the development of transgenic mouse models to act as a research tool that allows for a more accurate representation of human disease, and in turn a better predictor of the potential success in humans of new drug candidates developed to treat that disease or condition. Charles River is currently focusing its external technology development and commercialization initiatives on the use of rats as a potential alternative to mouse models. In certain research applications, rats may offer practical advantages over mice, principally due to their physiology, and their larger size. New and more targeted rat models may also allow for further "miniaturization" of research typically done in larger animal species. Sangamo's unique gene regulation technology, which uses so-called zinc finger DNA-binding protein (ZFP) transcription factors to recognize genes and control their expression, is expected to lead to a novel and proprietary method for creating a wide variety of gene altered rat models, each specifically constructed to mirror a particular human disease condition.

James C. Foster, chairman and chief executive officer of Charles River commented, "We're very pleased to be working with Sangamo towards the goal of creating commercially available transgenic rat models. This technology partnering agreement reflects our strategy of developing new growth platforms through external R&D alliances with scientific leaders. We believe Sangamo, with its world-class scientific team, is in a unique position to develop what we hope will be the first of many widely available transgenic rat models. We expect the cutting edge work being done by Sangamo and our other scientific partners will lead to significant benefits to researchers who use our research models in their drug discovery and development work."

"Entire companies were founded on the technologies used to develop transgenic mice," said Edward Lanphier, Sangamo's president and chief executive officer. "One of the key advantages of our ZFP technology is its potential application in multiple species, and we believe that it will be an effective approach capable of altering gene expression in transgenic rats. Working with Charles River, the leading research model provider, is an ideal extension of our technology platform."

Under this agreement, Charles River will financially sponsor development work at Sangamo to apply its ZFP technology to the creation of novel transgenic rat models, in exchange for a royalty-bearing license to breed and sell these new models. The multi-year program includes milestone payments. The partners intend to work closely with their biopharmaceutical customers to pursue the development of new models that will add the most value to ongoing drug discovery and development work, particularly in the area of drug safety assessment.

About Charles River

Charles River Laboratories, based in Wilmington, Massachusetts, is a leading provider of critical research tools and integrated support services that enable innovative and efficient drug discovery and development. The company is the global leader in providing the animal research models required in research and development for new drugs, devices and therapies. The company also offers a broad and growing portfolio of biomedical products and services that enable customers to reduce cost, increase speed, and enhance productivity and effectiveness in drug discovery and development. Charles River's customer base spans over 50 countries, and includes all of the major pharmaceutical and biotechnology companies, as well as many leading hospitals and academic institutions. The company operates 76 facilities in 15 countries worldwide.

This press release contains "forward-looking statements." Such statements involve a number of risks and uncertainties that could cause actual results to differ materially from those stated or implied by the forward looking statements, including risks specific to the matters described herein, such as failure to commercialize research and development plans, changes in legislative and regulatory rules and restrictions governing the application of transgenic technology to animal research models, opposition of special interest groups, intellectual property matters, and other general risks impacting the business of Charles River that are described in the Risk Factors contained in the company's periodic filings with the SEC, including Form S-3 filed on July 5, 2001. The company disclaims any intent or obligation to update forward looking statements, and otherwise claims the safe harbor protections for forward looking statements afforded under The Private Securities Litigation Reform Act of 1995.

About Sangamo

Sangamo is focused on the research and development of novel transcription factors for the regulation of gene expression. Sangamo's Universal Gene Recognition(TM) technology enables the engineering of transcription factors known as zinc finger DNA-binding proteins, or ZFPs. By engineering ZFPs so that they can recognize a specific gene, Sangamo has created ZFP transcription factors that can control gene expression and, consequently, cell function. The company intends to establish Universal Gene Recognition as a widely used technology for commercial applications in pharmaceutical discovery, human therapeutics, clinical diagnostics, agriculture and industrial biotechnology. Over twenty leading pharmaceutical and biotechnology companies have utilized ZFPs. In addition, Sangamo is developing novel ZFP-based therapeutics for the treatment of cardiovascular disease. For more information about Sangamo, visit the company's web site at www.sangamo.com.

This press release contains forward-looking information within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, and is subject to the safe harbors created by those sections. Those forward-looking statements include statements related to the ability of Sangamo BioSciences, Inc. to continue to meet marketing, technology, and customer demands as it relates to its products within the gene regulation market. Actual results may differ materially due to a number of factors, including numerous technological, operational and financial challenges associated with the regulation of genes and the creation of transgenic animal models. The matters discussed in this press release also involve risks and uncertainties concerning Sangamo's products and services described in Sangamo's filings with the Securities and Exchange Commission (SEC). In particular, see the risk factors described in the company's Annual Report on Form 10-K and its most recent 10-Q. Sangamo assumes no obligation to update the forward-looking information contained in this press release.

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