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NEWS RELEASE **October 30, 2006**

SEQUELLA HIRES CHIEF MEDICAL OFFICER

Gary Horwith, M.D. Joins Sequella to Guide Clinical Development of Product Pipeline

ROCKVILLE, MD – Sequella, Inc., a clinical-stage biopharmaceutical company focused on commercializing improved treatment paradigms for diseases of epidemic potential, announced today the appointment of Gary Horwith, M.D. as Chief Medical Officer. Dr. Horwith joined the Sequella management team on October 30, 2006, and will fill a key position overseeing the company's ongoing drug and diagnostic clinical trials. Dr. Horwith, a 22-year pharmaceutical industry veteran, is a board-certified internist with infectious diseases and immunology sub-specialty training.

"We are very pleased to have Dr. Horwith as our new Chief Medical Officer," said Dr. Carol A. Nacy, CEO of Sequella. "His expertise in infectious diseases, clinical evaluation, and registration of new drugs will strongly augment our current abilities in research and product identification and development."

As the new CMO, Dr. Horwith will be responsible for articulating a development strategy and guiding the clinical development of all Sequella product pipeline. "Initially Dr. Horwith will oversee the clinical evaluation of our diagnostic products, the Patch Test for Active TB and the MicroLab antibiotic sensitivity test, and our new antibiotic now in Phase 1 clinical trials, with indications in tuberculosis, bacterial pneumonia, and fungal infections," said Dr. Nacy. "As an officer of the corporation, he will be involved in all aspects of our business operations."

Dr. Horwith has ten years of large pharma experience, twelve years of biotechnology experience, and a proven track record of bringing investigational products from Phase 1 through NDA, BLA, and CTD filings. Before joining Sequella, Dr. Horwith was Vice President of Clinical Research and Medical Affairs at Nabi (NABI). Prior to his work at Nabi, he was VP Clinical Research and Drug Regulatory Affairs at Genetic Therapy, Inc., a Novartis company, and Director of Worldwide Clinical Research at the Liposome Company, Inc in Princeton, NJ and Wyeth-Ayerst Research in Radnor, PA. He has numerous publications in peer-reviewed journals.

"I'm extremely pleased to join such an accomplished group of scientists working on treatments and diagnostics for infectious diseases with global import," said Dr. Horwith. "In recent years, tuberculosis has become increasingly resistant to antibiotics used in treatment. I look forward to rapidly moving the company's lead antitubercular drug and new diagnostics through their clinical development."

About Sequella, Inc.

Sequella is a clinical-stage biopharmaceutical company focused on commercializing improved treatment paradigms for diseases of epidemic potential. The company leverages its global influence, infectious disease expertise and diverse product portfolio to proactively address emerging health threats with significant market opportunity. The Company's lead drug candidate SQ109, a new, orally-active diamine antibiotic for the treatment of tuberculosis (TB) and other infectious diseases, was granted Investigational New Drug Status by the Food and Drug Administration in September 2006. Phase I clinical studies for SQ109 are ongoing. For more information, please visit www.sequella.com.

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Forward-Looking Statement

This press release contains forward-looking statements that are subject to risks and uncertainties, and includes statements that are not historical facts. Actual results could differ significantly from results discussed. Sequella disclaims any intent or obligation to update forward-looking statements, except as required by law.

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