

Sangamo BioSciences, Inc.
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**SANGAMO BIOSCIENCES ANNOUNCES PUBLICATION
IN *NATURE REVIEWS GENETICS***

Article Reviews On-going Work to Control Gene Regulation

Richmond, California – October 4, 2000 – Sangamo BioSciences, Inc. (Nasdaq: SGMO) today reported that a review entitled “DNA Methylation in Health and Disease” has been published in *Nature Reviews Genetics*. Authored by Alan P. Wolffe, Ph.D., Sangamo’s chief scientific officer, and Keith D. Robertson, Ph.D., a Sangamo collaborator at the National Cancer Institute, the article describes the critical role DNA methylation plays in maintaining certain cellular functions. When that process goes awry, genes can be inappropriately regulated resulting in impaired neuronal development. Several genetic neurological diseases such as Fragile X, ICF and Rett Syndromes are associated with this malfunction.

“At Sangamo we are focused on increasing our understanding of how specific genes are regulated. An important component of our research is integrating the impact of cell structure and function on gene regulation in order to better control these processes,” said Dr. Wolffe. “For example, DNA methylation, one step in the sequence of events, is known to play an important role in several diseases, including cancer and various neurological disorders. Understanding how the body regulates these important processes can lead to the discovery of novel approaches for addressing diseases for which no treatment currently exists.”

DNA methylation appears to play a role in how an organism’s genome is divided into active and inactive compartments. It is this segmentation that allows the cell to more accurately stimulate, or repress, those genes that are essential for cell growth and function. The process by which DNA methylation occurs is through the interplay of three critical enzymes called methyltransferases. Though it is unknown exactly how these enzymes interact, it is hypothesized that DNA methylation serves to define and maintain the structural integrity of the genome by decreasing the probability of gene rearrangements that could lead to gene mutations.

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™ 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.

Leading pharmaceutical and biotechnology companies utilizing ZFPs include: AstraZeneca, Bayer Corporation, Bristol-Myers Squibb, DuPont Pharmaceuticals, Genset SA, Glaxo Wellcome, Hoffmann-LaRoche, Immunex, The R. W. Johnson Pharmaceutical Research Institute, Japan Tobacco, Merck, Merck KGaA, Millennium Pharmaceuticals, Pfizer, Pharmacia & Upjohn, Procter & Gamble Pharmaceuticals, Schering AG, SmithKline Beecham, Warner-Lambert, and Zaiya. In addition, Sangamo has a strategic alliance with Edwards Lifesciences Corporation to develop novel therapeutics for the treatment of cardiovascular disease. For more information about Sangamo, visit the company’s web site at www.sangamo.com.

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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. The matters discussed in this press release also involve risks and uncertainties concerning Sangamo's products and services described in Sangamo's filing on Form S-1 with the Securities and Exchange Commission (SEC). In particular, see the risk factors described in the company's Prospectus on Form S-1 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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Note: The review appears in the October 2000 issue of *Nature Reviews Genetics*, which can be accessed at www.nature.com/nrg.

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