



**Sangamo BioSciences, Inc.**  
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## **SANGAMO BIOSCIENCES ANNOUNCES OPTION TO ACQUIRE GENDAQ LTD.**

**Richmond, California** – May 30, 2001 – Sangamo BioSciences, Inc. (Nasdaq: SGMO) today announced that it has been granted an option to purchase on agreed terms all of the outstanding stock of Gendaq Ltd. Gendaq is a privately held company located in London, England focused on the regulation of gene expression using engineered zinc finger DNA binding proteins (ZFPs).

The agreement grants Sangamo the option to purchase all of the outstanding stock of Gendaq and to assume all employee stock options, thereby merging the operations of the two companies, for 2.25 million shares of Sangamo stock; approximately 10 percent of Sangamo's outstanding shares. Upon exercise of the option, Sangamo will acquire all of the business of Gendaq including a research team comprising 16 scientists, 24 patent applications in the ZFP field, and over \$6 million in cash. Sangamo is currently completing due diligence regarding Gendaq. The Option Period runs through July 14, 2001.

Gendaq's scientific founders include Professor Sir Aaron Klug, OM PRS and Yen Choo, Ph.D, Gendaq's research director. Professor Klug is the recipient of numerous honors and awards including the Nobel Prize for Chemistry. He was director of the MRC Laboratory of Molecular Biology from 1986 to 1996, and is the immediate past president of the Royal Society. While working with Aaron Klug at the MRC Laboratory of Molecular Biology, Dr. Choo began work on techniques that have been further developed at Gendaq to engineer zinc fingers for gene regulation. Timothy Brears, Ph.D., who also founded Gendaq and serves as its chief executive officer, joined Gendaq from Novartis where he was director of licensing/business development.

The MRC, which has been conducting research in the ZFP field for 15 years, has assigned all of its intellectual property in that field to Gendaq subject to a worldwide non-exclusive license to certain technology from the MRC previously granted to Sangamo.

### **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 ZFP TFs. By engineering ZFP TFs so that they can recognize a specific gene, Sangamo has created ZFP TFs 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 ZFP TFs. In addition, Sangamo is developing novel ZFP TF-based therapeutics for the treatment of cardiovascular disease. For more information about Sangamo, visit the company's web site at [www.sangamo.com](http://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 exercise the Gendaq option and 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 completion of the due diligence, as well as 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 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 quarterly report on Form 10-Q. Sangamo assumes no obligation to update the forward-looking information contained in this press release.*

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