

SANGAMO BIOSCIENCES RECEIVES PHASE II SBIR GRANT EXPANDING THERAPEUTIC PRODUCT PLATFORM

Richmond, California – October 28, 2002 – Sangamo BioSciences, Inc. (Nasdaq: SGMO) announced today that the company has been awarded a \$539,396 Phase II SBIR NIH grant to conduct research on the application of Sangamo’s zinc finger DNA binding protein transcription factor (ZFP TF) technology to permanently turn off or “silence” the expression of a gene and thus the production of the protein that it encodes. This approach could be used to turn off genes that were inappropriately expressed in a particular tissue in a disease process with a very short exposure to the ZFP TF. The grant, entitled “Targeted VEGF Methylation: Novel Cancer Therapy” was awarded by the National Cancer Institute and will be paid out over a 2-year period. This represents a continuation of studies undertaken by Sangamo scientists that was funded by an earlier Phase I grant.

Sangamo scientists are using ZFP TFs to target an enzyme known as a DNA methyltransferase to a precise location in a gene’s control region or promotor where it can modify the DNA. Methylation of the DNA results in the specific and permanent shutdown of the expression of that gene in the cell. Mammalian gene promoters are usually inactive when methylated at particular sequences and these methylation patterns are maintained even when the cell divides. Because of the heritable nature of the methylated gene patterns, the gene remains turned off even in the absence of the methyltransferase enzyme. This approach would have therapeutic utility in a situation where a gene is inappropriately expressed. For example, many cancers express very high levels of vascular endothelial growth factor (VEGF) leading to a significant increase in new blood vessel formation for the tumor. Permanently turning off the expression of the VEGF gene in tumor cells could inhibit the formation of new blood vessels and thus slow or halt the progress of the disease.

“Our ZFP TF technology uniquely enables us to create highly specific therapeutics capable of directly regulating disease-related genes,” said Edward Lanphier, Sangamo’s president and chief executive officer. “An advantage of this approach is that we are mimicking a process that occurs naturally in mammalian systems to silence or shut down individual genes. We intend to explore this very powerful approach as a general strategy for clinical situations in which permanently turning off a specific gene would have therapeutic value. This is yet another unique gene regulation technology enabled by our ZFP TF product development platform.”

Zinc finger DNA-binding proteins are the dominant class of naturally occurring transcription factors in organisms from yeast to humans. Transcription factors bind to DNA to regulate gene expression. Transcription factors made from ZFPs (ZFP TFs) allow precise targeting to a particular gene or genes of interest. Since the over-expression or under-expression of individual genes is the basis for many diseases, the ability to regulate genes with engineered ZFP TFs has significant potential therapeutic benefit.

About Sangamo

Sangamo BioSciences, Inc., of Richmond, CA, is focused on the research and development of novel transcription factors for the regulation of gene expression. The company’s most advanced therapeutic development program involves the use of transcription factors for the treatment of cardiovascular disease. Other therapeutics development programs are focused on cancer, neuropathic pain, ophthalmic

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and infectious diseases. Sangamo's proprietary 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 (ZFP TFs) that can control gene expression and, consequently, cell function. The company is developing ZFP TFs as a fundamentally enabling technology for commercial applications in human therapeutics, pharmaceutical discovery, agriculture and industrial biotechnology. Over twenty leading pharmaceutical and biotechnology companies have utilized ZFP TFs. For more information about Sangamo, visit the company's web site at www.sangamo.com.

This press release may contain forward-looking statements based on Sangamo's current expectations. These forward-looking statements include, without limitation, references to the research and development of novel ZFP TFs and applications of Sangamo's ZFP TF technology platform. Actual results may differ materially from these forward-looking statements due to a number of factors, including technological challenges, Sangamo's ability to develop commercially viable products and technological developments by our competitors. See the company's SEC filings, and in particular, 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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