



## PRESS RELEASE

For immediate release:

### **Chemaphor expands companion animal studies program**

***New funding will support next round of OxC-beta studies in dogs, cats and horses***

OTTAWA, ON, July 12, 2011 – Chemaphor Inc. has signed a Contribution Agreement with the National Research Council of Canada Industrial Research Assistance Program (NRC-IRAP) for financial support to move forward with the next round of studies with OxC-beta in companion animals.

Chemaphor Inc. (TSX Venture: CFR) will expand its companion animal studies program for OxC-beta to include cats and horses. An additional study will be conducted with dogs to reinforce the earlier findings that OxC-beta significantly improves coat quality and shedding and markedly improves mobility and interest in activities, particularly in older animals.

“The funding from NRC-IRAP will allow us to expand and accelerate our commercialization program,” says Dr. Graham Burton, president and co-founder of Chemaphor Inc. “These new studies will allow us to broaden application to other species, especially cats and horses.”

The two year term financial support of up to \$194,094 of non-dilutive, non-repayable funding will allow Chemaphor to continue to learn more about the full extent of the benefits of OxC-beta as a natural health supplement for companion animals and horses. This includes strengthening, through objective measurement, previous findings that show OxC-beta helped improve the condition of dogs with skin and coat issues. The studies will also focus on demonstrating the benefit and safety of OxC-beta as a daily health supplement for companion cats and horses, and will provide further insight into additional therapeutic applications of OxC-beta.

Chemaphor, through its commercial subsidiary, Avivagen Animal Health Inc., introduced OxC-beta into Canadian veterinary clinics in late 2010, in the form of Oximunol™ Chewables for dogs. Building upon the very positive response of Canadian pet owners in just six months, Avivagen is now working on establishing agreements with partners for international distribution of Oximunol™ Chewables. Avivagen also markets an in-licensed Vet-Stem stem cell treatment. For more information visit [www.avivagen.com](http://www.avivagen.com) or follow on Twitter @avivagen.

Chemaphor is listed on the TSX Venture Exchange and trades under the symbol CFR.

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**Forward Looking Statements**

*This news release includes certain forward-looking statements that are based upon current expectations, which involve risks and uncertainties associated with the business of Chemaphor Inc. and Avivagen Animal Health Inc. and the environment in which their respective businesses operate. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking, including those identified by the expressions "will", "anticipate", "believe", "plan", "estimate", "expect", "intend", and similar expressions. The forward-looking statements reflect the current expectations of Chemaphor Inc. regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Chemaphor assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements.*

*The foregoing is only a brief summary of the methodology and results of the above referenced study. The results discussed above are not a guarantee of future product performance or that any products currently in development will reach the commercialization stage in the near term or at all. Commercialization of any product may require additional studies and/or satisfaction of regulatory and other requirements, some of which may be outside of the control of Chemaphor Inc. and Avivagen Animal Health Inc.*

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