

TranXenoGen Inc (the " Company")

Exercise of Class C Preferred Stock

The Company has received notification that the options to purchase a total of 150,000 shares of the Company's Class C Preferred Stock at a price of \$3.00 per share were exercised by the parties and in the amounts listed below on December 29, 2000. Under TranXenoGen's Certificate of Incorporation, these shares automatically convert into shares of the Company's common stock on a ten-for-one basis upon issue.

Option Holder	Class C Preferred Stock	Shares of Common Stock	After exercising of option Total holding of Common Stock	Total holding of Company
Cosign Nominees Limited	50,000	500,000	1,800,000	5.71%
PKF Trustees Limited (formerly Pannell Kerr Forster Trustee Company Limited) as Trustee of the T97034 Settlement	30,000	300,000	1,800,000	5.71%
Nigel Wray	50,000	500,000	1,620,000	5.14%
Other	20,000	200,000	-	-
Total	150,000	1,500,000		

Application for admission of the 1,500,000 shares of common stock to trading on the Alternative Investment Market has been made with admission and trading expected to commence Thursday 11 January 2001.