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VistaGen Therapeutics Expands Key Stem Cell Technology Patent Estate Supporting Its Drug Rescue and Cell Therapy Programs

SOUTH SAN FRANCISCO, CA -- (MARKET WIRE) -- 09/28/11 -- VistaGen Therapeutics, Inc. (OTCBB: VSTA), a biotechnology company applying stem cell technology for drug rescue and cell therapy, announces the issuance of two additional United States patents supporting its therapeutic and drug discovery programs.

U.S. Patent 7,763,466, titled "Mesoderm and Definitive Endoderm Cell Populations," and U.S. Patent 7,955,849, titled "Method of Enriching a Mammalian Cell Population for Mesoderm Cells," further enhance VistaGen's intellectual property portfolio and provide additional protection for its proprietary research and development activities. Methods covered in these important new U.S. patents describe the use of activin and serum-free culture conditions for producing endoderm and mesoderm.

"Strong and enforceable intellectual property rights are critical components of our plan to optimize the commercial potential of our Human Clinical Trials in a Test Tube™ platform," said Shawn K. Singh, VistaGen's Chief Executive Officer. "These patents further solidify our growing IP portfolio. Generally speaking, they expand the application of our activin-driven pluripotent stem cell differentiation technology to include a broader range of tissues and organ systems, and significantly strengthen our market position."

Mesoderm and endoderm are two of the three primary early precursors, "germ layers," which develop into all of the non-neuronal cells of the body. Endoderm is the innermost of the three primary developmental germ layers, and develops into the gastrointestinal tract, including the major cells of the liver and pancreas, respiratory tracts of the lungs, other endocrine glands and organs, such as the thyroid and thymus glands, the major cells of the kidney and the auditory and urinary systems. Mesoderm is the germ layer lying adjacent to the endoderm. These multi-potential cells develop into cardiac and skeletal muscles, all the cells of blood and lymphatic systems, bone, cartilage, fat, the lining of blood vessels, and connective tissues.

Activins are members of the important transforming growth factor beta (TGF-beta) family of "morphogens," i.e. developmental factors that direct and control the differentiation and eventual fate of early precursor cells. During development, the body uses differing concentrations of morphogens, similar to activin, to direct precursors to become the various

mature cells discussed above. Methods utilizing differing concentrations of activin to direct and control the differentiation of various mature cell types are described in these issued U.S. patents and are widely-believed as having significant commercial value.

In addition to the patent estate that VistaGen owns and controls by license in the U.S., the Company has proprietary rights to a large and growing number of patents granted in territories outside the U.S. Having recently reported its original research demonstrating the use of pluripotent stem cells to generate insulin, these issued U.S. patents further highlight VistaGen's leadership position in the field as the Company applies its Human Clinical Trials in a Test Tube™ platform for proprietary applications in drug rescue, cell therapy and regenerative medicine.

The patent families related to these two issued patents are subject to exclusive licenses to VistaGen on a worldwide basis through an agreement with Mount Sinai School of Medicine (MSSM) in New York. The patents stem from work conducted by scientists in the laboratory of Dr. Gordon Keller, formerly a Professor of Gene and Cell Medicine at MSSM and Director of its Black Family Stem Cell Institute. Dr. Keller is now Director of the University Health Network's McEwen Centre for Regenerative Medicine in Toronto and Chairman of VistaGen's Scientific Advisory Board.

About VistaGen Therapeutics

VistaGen Therapeutics is a biotechnology company applying human pluripotent stem cell technology for drug rescue and cell therapy. Drug rescue involves the combination of human pluripotent stem cell technology with modern medicinal chemistry to generate new chemical variants of once promising small molecule drug candidates that pharmaceutical companies have discontinued during preclinical or early clinical development due to heart or liver toxicity, despite positive efficacy data demonstrating their potential therapeutic and commercial benefits. VistaGen plans to use its pluripotent stem cell technology to generate early indications, or predictions, of how humans will ultimately respond to new drug candidates before they are ever tested in humans.

In parallel with its drug rescue activities and in collaboration with Dr. Gordon Keller in Toronto, VistaGen is preparing to initiate pilot preclinical cell therapy programs involving the proprietary stem cell differentiation and cell production capabilities of its Human Clinical Trials in a Test Tube™ platform.

Additionally, VistaGen will begin a Phase 1b clinical study of AV-101, a small molecule drug candidate for treatment of neuropathic pain, before the end of 2011. This study includes testing AV-101 in healthy volunteers using the intradermal capsaicin model of neuropathic pain. Neuropathic pain, a serious and chronic condition causing pain after an injury or disease of the peripheral or central nervous system, affects approximately 1.8 million people in the U.S. alone. VistaGen plans to initiate Phase 2 clinical studies of AV-101 in the fourth quarter of 2012. VistaGen is also exploring additional opportunities to leverage its current Phase 1 clinical program to enable additional Phase 2 clinical studies of AV-101 for epilepsy, Parkinson's disease and depression. To date, VistaGen has been awarded over $8.5 million from the U.S. National Institutes of Health (NIH) for development of AV-101.

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Cautionary Statement Regarding Forward Looking Statements

The statements in this press release that are not historical facts may constitute forward-looking statements that are based on current expectations and are subject to risks and uncertainties that could cause actual future results to differ materially from those expressed or implied by such statements. Those risks and uncertainties include, but are not limited to, risks related to regulatory approvals and the success of VistaGen's ongoing clinical studies, including the safety and efficacy of its drug candidate, AV-101, the failure of future drug rescue and pilot preclinical cell therapy programs related to VistaGen's stem cell technology-based Human Clinical Trial in a Test Tube™ platform, the strength and scope of its intellectual property portfolio, its ability to enter into drug rescue collaborations, risks and uncertainties relating to the availability of substantial additional capital to support its patent prosecution, research, development and commercialization activities, and the success of its research, development, regulatory approval, marketing and distribution plans and strategies, including those plans and strategies related to AV-101 and any drug rescue variants identified and developed by VistaGen. These and other risks and uncertainties are identified and described in more detail in VistaGen's filings with the Securities and Exchange Commission (SEC). These filings are available on the SEC's website at www.sec.gov. VistaGen undertakes no obligation to publicly update or revise any forward-looking statements.

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