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FOR IMMEDIATE RELEASE

**SOURCE MDx ANNOUNCES TRANSLATIONAL MOLECULAR MEDICINE
COLLABORATION WITH PFIZER**

**–Pharmacodynamic and Predictive Biomarker Collaboration Focused on Oncology and
Inflammation Includes Equity Investment by Pfizer–**

BOULDER, COLORADO, December 27, 2007 – Source MDx, Inc. today announced a multi-year translational molecular medicine collaboration with Pfizer, Inc. to develop and validate RNA-based pharmacodynamic and predictive biomarkers within Pfizer’s cancer and inflammation therapeutic development programs. This molecular diagnostics collaboration will combine Pfizer’s expertise in genomic profiling with Source MDx’s expertise in RNA transcription profiling to identify inflammation and cancer-related biomarkers in whole blood and circulating rare cells. Source MDx has developed and patented molecular diagnostic assays, Precision Profiles™, for over 1,800 target genes based on RNA transcript measurement using quantitative RT-PCR optimized for precision and calibration. Pfizer and Source MDx researchers will seek to establish molecular profiles of response and resistance for critical cancer and inflammation drugs. Validation of candidate biomarkers will lead to joint commercial opportunities in companion diagnostics.

Under the terms of the agreement, Source MDx and Pfizer will collaborate on a series of clinical studies in oncology and inflammation. Source MDx will receive an equity investment and technology license payment, plus research and development funding over the term of the alliance. Source MDx will retain commercial rights to diagnostic biomarkers discovered and validated from the collaboration. The agreement includes provisions under which Pfizer and Source MDx can commercialize any companion diagnostics that may be developed as part of the collaboration.

Since 2002, Source MDx and Pfizer have worked together in over twenty pre-clinical and clinical projects applying RNA transcription profiling across multiple phases of the drug development process in inflammation-related diseases. Source MDx has expanded its historical strength in inflammation-related biomarker development to include oncology biomarkers for the development of targeted cancer therapeutics, including immunotherapy. Source MDx’s OncoProfilingSM service offerings enhance the development of targeted cancer therapeutics by providing the same high precision gene expression analysis in whole blood, circulating tumor and endothelial cell samples.

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"We believe this collaboration will provide many benefits to Pfizer's drug development programs and further add to Source MDx's industry leadership in the development of RNA transcript-based biomarkers. This collaboration is the result of a long-standing Pfizer/Source MDx relationship and we are excited to continue as a partner within Pfizer's cancer and inflammation drug development programs," said Dr. Danute Bankaitis-Davis, Executive Vice President of Source MDx.

Karl Wassmann, Source MDx's CEO and President added, "We are very enthusiastic about this expanded collaboration with Pfizer. This alliance not only strengthens our position in the field of oncology and autoimmune molecular diagnostics but more importantly brings the potential of individualized medicine closer to the patient."

About Source MDx

Source MDx is a privately-held molecular diagnostics development company that uses its patented technology to monitor an individual's health, disease status and response to therapy at the molecular level, using RNA from whole blood or tissue samples. Source MDx is developing a strong portfolio of patented diagnostic biomarker panels to assist with the detection and diagnosis of cancer and other diseases. Source MDx has patented Precision Profile™ molecular diagnostic biomarkers in seven cancers including breast, cervical, colon, lung, ovarian, prostate and skin cancer and six autoimmune diseases including inflammatory bowel disease, lupus, multiple sclerosis, psoriasis, osteoarthritis, and rheumatoid arthritis. The company has completed over 150 preclinical and clinical projects for more than 30 leading pharmaceutical, biotechnology and diagnostic companies. www.sourcemd.com.

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