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| NEWS RELEASE |

FOR IMMEDIATE RELEASE

MIGENIX Reports Fourth Quarter and Fiscal Year 2006 Financial Results

Vancouver, BC, CANADA & San Diego, CA, USA – July 13, 2006– MIGENIX Inc. (TSX: MGI; OTC: MGIFF), a clinical-stage developer of drugs for infectious and degenerative diseases, reports financial results for the three months and the year ended April 30, 2006 and an update on its programs:

Jim DeMesa, M.D., President & CEO of MIGENIX stated, "We improved our financial position in May with an \$8.8 million financing transaction led by our largest shareholder, Biotechnology Value Fund. This display of confidence from such a respected and successful investment fund is very important to us. The three key clinical results we expect from our two late-stage programs (CPI-226 in Phase III and MX-3253 in Phase II) have the potential to drive value significantly, providing a substantial opportunity for our shareholders."

UPDATE ON DRUG DEVELOPMENT PROGRAMS

CPI/MX-226 (catheter-related infections): In August 2005, Cadence Pharmaceuticals, Inc. (Cadence), our partner for the North American and European development and commercialization of CPI-226, initiated United States enrollment in a multi-national pivotal Phase III study of CPI-226 pursuant to a Special Protocol Assessment from the US FDA. European enrollment in the study was initiated in January 2006. The confirmatory Phase III trial is a randomized, Evaluation Committee-blinded study to evaluate the effectiveness of CPI-226 vs. 10% povidone-iodine for the prevention of catheter-related infections in approximately 1,250 hospitalized patients with central venous catheters. Cadence originally planned to complete the study in the first half of calendar 2007, however in July 2006 Cadence revised this to the second half of 2007. Cadence has also advised us that they plan to submit an NDA to the FDA and a Marketing Authorization Application to European regulatory authorities, for marketing approval in the US and Europe respectively, in the first half of 2008. Additionally, Cadence intends to also pursue, as a post-marketing label expansion, a pediatric indication for CPI-226 in the prevention of catheter-related infections. MIGENIX has initiated activities directed at securing a development and commercialization partner for MX-226 in Japan and other territories outside of North America and Europe.

MX-3253 (treatment of chronic Hepatitis C virus infections):

Enrollment in a MX-3253 (celgosivir) Phase IIb combination study commenced in November 2005 and results of the study are expected in October or November 2006. This study is a multi-center, active-controlled, 12-week evaluation of efficacy and safety in 57 non-responder patients randomly assigned to one of three treatment arms: (i) celgosivir plus peginterferon alfa-2b plus ribavirin (3-way combination); (ii) celgosivir plus peginterferon alfa-2b (2-way combination); and (iii) celgosivir placebo plus peginterferon alfa-2b plus ribavirin (control). Patients completing 12 weeks of treatment in the Phase IIb study have the option to participate for up to an additional 36 weeks in an extension study. Of the 57 patients enrolled in the Phase IIb study: (i) 31 patients have completed 12 weeks of treatment and have enrolled in the extension study; (ii) 19 patients are in the 12-week treatment period; and (iii) 7 patients discontinued treatment prior to completion of treatment (6 for interferon-related side effects and 1 for other reasons unrelated to celgosivir). This study is being supported in part through an Agreement with Schering-Plough.

In May 2006 the Company received a Notice of Authorization from Health Canada approving a Phase II combination study of celgosivir in treatment-naïve patients with chronic HCV (genotype 1) infection designed to determine the efficacy, safety, tolerability and pharmacokinetics of celgosivir in combination with peginterferon alfa-2b, with ribavirin. The Company is in the process of amending the protocol (subject to regulatory and other approvals) to include two treatment arms rather than the previous three-arm design. This Phase II study is a 12 week randomized, active-controlled study in up to 20 patients in two treatment arms: (i) celgosivir plus peginterferon alfa-2b plus ribavirin (3-way combination); and (ii) peginterferon alfa-2b plus ribavirin (control). As part of the study, the viral kinetics of celgosivir will be evaluated. Enrollment in the study is expected to commence in July 2006 with 4 week interim results expected in late 2006 and 12 week results expected in the first half of 2007.

CLS001 (formerly MX-594AN) (treatment of dermatological diseases): A license agreement for the development and commercialization of CLS001 was executed on December 7, 2005 with Cutanea Life Sciences, Inc., (“Cutanea”) a private, dermatological pharmaceutical company based in metropolitan Philadelphia, Pennsylvania. Cutanea has advised us that it is pursuing rosacea as its first indication for development and plans to initiate and complete a Phase II clinical trial in 2007.

MX-2401 (gram-positive bacterial infections): The Company is developing the process for manufacturing MX-2401 on a scale that will provide sufficient quantities of MX-2401 for the GLP non-clinical toxicity studies required to support moving MX-2401 into clinical development. This process development work and the manufacturing of MX-2401 for the planned GLP studies are projected to complete by the end of 2006.

MX-4509 (treatment of neurodegenerative diseases): A non-clinical study of MX-4509 in a potential neurodegenerative orphan indication was initiated in October 2005 and a study in a second indication started in May 2006, with clinical studies to follow, as deemed appropriate, based on the non-clinical results. The non-clinical study results are expected by the end of 2006.

Other Research and Development Programs: Compounds from the Company’s HCV non-nucleoside (“HCVnn”) program have shown nanomolar (excellent) activity in replicon assays. Work in the Company’s MX-4565 (neurodegenerative diseases) program has included non-clinical models of Parkinson’s disease, Friedreich’s ataxia and other disease indications. The Parkinson’s disease work has resulted in a research collaborator obtaining support from the Michael J. Fox Foundation for further development. Work in both the HCVnn and MX-4565 programs is focused on advancing the compounds into animal studies and non-clinical development.

FINANCIAL RESULTS

The loss for the three months ended April 30, 2006 (“Q4/06”) was \$3.0 million (\$0.05 per common share) compared with a loss of \$3.1 million (\$0.05 per common share) for the same period last year (“Q4/05”).

The loss for the year ended April 30, 2006 (“Fiscal 2006”) is \$11.3 million (\$0.16 per common share) as compared to \$10.5 million (\$0.18 per common share) for the same period last year (“Fiscal 2005”). The increase in the Fiscal 2006 loss compared to the Fiscal 2005 loss is principally attributable to CPI-226 licensing revenue in Fiscal 2005 (see “Revenues”).

Revenues

Licensing revenues for Q4/06 were \$nil (\$nil for Q4/05) and were \$0.2 million for Fiscal 2006 (\$2.1 million for Fiscal 2005). The Fiscal 2006 licensing revenues were pursuant to the CLS001 license agreement entered into with Cutanea in December 2005. The Fiscal 2005 licensing revenues were pursuant to the August 2004 CPI-226 collaboration and license agreement with Cadence.

Research and development collaboration revenues for Q4/06 were \$nil (\$0.1 million for Q4/05) and were \$0.3 million for Fiscal 2006 (\$0.4 million for Fiscal 2005). Research and development collaboration revenues for Fiscal 2006 and 2005 are pursuant to our agreement with Cadence and include the sale of CPI-226 drug substance to Cadence.

Research and Development Expenses

Research and development expenses in Q4/06 were \$1.8 million (\$2.2 million in Q4/05) and were \$7.7 million for Fiscal 2006 (\$8.6 million for Fiscal 2005). Research and development expenses include: (1) personnel costs; (2) clinical development program costs; (3) patent-related costs; and (4) other costs.

Research and development personnel costs in Q4/06 were \$0.8 million (\$0.8 million in Q4/05) and were \$2.7 million for Fiscal 2006 (\$3.3 million for Fiscal 2005). The decrease in Fiscal 2006 as compared to Fiscal 2005 is primarily due to a reduction in headcount as a result of the Company’s cost reduction steps in May and June 2005 and ongoing cost containment measures. The Q4/06 costs are approximately the same as Q4/05 due to higher results compensation in Q4/06 and retroactive compensation increases accrued at April 30, 2006.

Clinical program development costs in Q4/06 were \$0.6 million (\$1.0 million in Q4/05) and were \$2.6 million for Fiscal 2006 (\$2.3 million for Fiscal 2005). The increase in the Fiscal 2006 clinical program development costs compared with Fiscal 2005 is due to increased activity in the MX-3253 program including: Phase IIb combination study initiated November 2005; Phase IIa monotherapy trial initiated in Fiscal 2005 (October 2004) and completed in Fiscal 2006 (September 2005); and other activities. Costs in the MX-3253 program in Fiscal 2006 were \$2.1 million (\$1.2 million in Fiscal 2005). The increase in

MX-3253 program costs was partially offset by a decrease in MX-4509 program costs resulting from the decision in May 2005 to pursue potential orphan indications, and not proceeding with the planned Phase I/II trial in Alzheimer's patients. Costs in the MX-4509 program in Fiscal 2006 were \$0.2 million (\$0.7 million in Fiscal 2005). Clinical costs in the CPI-226 and CLS001 programs in Fiscal 2006 were nominal (CPI-226: \$nil in Fiscal 2005; and CLS001: \$0.2 million in Fiscal 2005) as the Company's partners fund the development costs for these programs and in the case of CLS001 the Company was delaying certain development work until a partner was secured.

Patent-related costs (net of patent cost recoveries) in Q4/04 were \$0.2 million (\$0.3 million in Q4/05) and were \$0.9 million of research and development expenses for Fiscal 2006 (\$1.0 million for Fiscal 2005).

Other research and development costs in Q4/06 were \$0.2 million (\$0.1 million in Q4/05) and were \$1.5 million of research and development expenses for Fiscal 2006 (\$2.0 million for Fiscal 2005). Other research and development expenses in Fiscal 2006 include \$0.6 million (\$0.6 million in Fiscal 2005) in MX-2401 preclinical development costs and are net of a \$0.2 million (\$0.5 million in Fiscal 2005) reduction in MX-2401 costs resulting from government assistance. The remaining other research and development costs reflect product development costs for programs that are not at the clinical stage of development and costs that are not allocated to specific programs. The decrease in Fiscal 2006 other costs is a result of the Company's cost reduction steps in May and June 2005 and ongoing cost containment measures.

General and Corporate Expenses

General and corporate expenses in Q4/06 were \$1.0 million (\$0.9 million in Q4/05) and were \$3.4 million for Fiscal 2006 (\$3.8 million for Fiscal 2005). General and corporate personnel costs were \$0.7 million in Q4/06 (\$0.5 million in Q4/05) and were \$2.2 million for Fiscal 2006 (\$2.2 million for Fiscal 2005). The increase in Q4/06 personnel costs compared with Q4/05 is primarily due to higher results compensation in Q4/06 and retroactive compensation increases accrued at April 30, 2006. The decrease in Fiscal 2006 general and corporate expenses as compared to Fiscal 2005 is primarily due to a decrease in legal and other costs.

Amortization and Write-downs

Amortization expense on equipment was \$0.3 million for Fiscal 2006 (\$0.3 million for Fiscal 2005).

Amortization expense for intangible assets was \$0.7 million for Fiscal 2006 (\$0.5 million for Fiscal 2005). Fiscal 2006 write-downs of intangible assets are \$0.1 million (\$nil in Fiscal 2005).

Other Income and Expenses

Interest income for Fiscal 2006 is \$0.3 million (\$0.4 million for Fiscal 2005). The foreign exchange loss was nominal for Fiscal 2006 (\$0.1 million for Fiscal 2005).

Liquidity and Capital Resources

As of April 30, 2006, the Company had cash, cash equivalents and short term investments of \$9.4 million (April 30, 2005: \$12.0 million) and the Company's net working capital was \$6.3 million (April 30, 2005: \$10.8 million). The \$4.5 million decrease in net working capital from April 30, 2005 to April 30, 2006 is primarily attributable to the loss of \$10.0 million (excluding amortization, write-down of intangible assets and stock-based compensation non-cash expenses) for the year ended April 30, 2006 less the \$5.7 million in net proceeds from a public offering completed May 31, 2005.

In May 2006 the Company completed a financing of \$8.8 million relating to the sale of a portion of the future royalties from the Company's license agreements with Cadence Pharmaceuticals and Cutanea Life Sciences. A total of 29,465 royalty units were issued at a price of \$300 per unit representing the royalties purchased by the unit holders (up to \$1,000 per unit) under the license agreements. These royalty units can be converted at the option of the holder into MIGENIX common shares (initially 600 common shares per unit based on conversion price of \$0.50 per common share, with the number of common shares reduced proportionately for royalties received by the unit holders). Additionally, the Company has an option to convert the units into common shares under certain circumstances. In connection with completing the transaction: [i] paid the agent a cash commission of \$0.7 million and issued to the agent warrants expiring May 2, 2009 for the purchase of 883,950 common shares at a price of \$0.50 per common share; and [ii] incurred approximately \$0.4 million in legal, professional and other costs of which \$0.3 million is included in other assets at April 30, 2006.

MIGENIX believes that its funds on hand at April 30, 2006, together with the royalty unit financing in May 2006, program prioritization, previous cost reduction steps, ongoing cost containment measures and expected interest income, are sufficient to provide for operations into the third quarter of calendar 2007 before funds received, if any, from financing activities, the exercise of warrants and options, and existing or new license agreements. The Company will continue advancing its highest priority programs while operating within an annual burn rate of \$11 million to \$13 million. MIGENIX will need to raise additional funds in support of its operations and there is no assurance that such funds can be obtained.

Outstanding Shares

There are currently 74,299,148 (April 30, 2006: 74,258,656; April 30, 2005: 60,988,428) common shares outstanding and 14,600,000 (April 30, 2006 and April 30, 2005: 14,600,000) preferred shares outstanding.

Conference Call

Investors, analysts and the media are invited to participate in a conference call today (July 13, 2006) at 4:15 p.m. ET (1:15 p.m. PT) to discuss this announcement. To participate in the conference call, please dial 416-644-3415 or 1-800-814-3911. The call will be available for replay until July 27th, 2006 by calling 416-640-1917 or 1-877-289-8525 and entering the pass code 21195544 followed by the number sign. The live and archived web cast can be accessed through the company's website at www.migenix.com for the next 90 days.

Selected Financial Highlights

BALANCE SHEETS	April 30,	April 30,
Unaudited - In Thousands of Canadian dollars	2006	2005
Assets		
Cash and cash equivalents	\$ 5,743	\$ 1,181
Short-term investments	3,642	10,846
Other current assets	706	1,426
Total current assets	\$10,091	\$13,453
Long-term investments	1	1
Other assets	275	186
Equipment	936	1,142
Intangible assets	5,569	6,424
Total assets	\$16,872	\$21,206
Liabilities and Shareholders' Equity		
Accounts payable and accrued liabilities	\$3,828	\$2,595
Current portion of capital lease obligation	5	63
Total current liabilities	\$ 3,833	\$ 2,658
Capital lease obligation	-	6
Preferred shares	-	-
Shareholders' equity	13,039	18,542
Total liabilities and shareholders' equity	\$16,872	\$21,206

STATEMENTS OF LOSS AND DEFICIT Unaudited – In Thousands Canadian dollars (except per share amounts)	Three months ended April 30,		Year ended April 30,	
	2006	2005	2006	2005
Revenue				
Licensing	\$ -	\$ -	\$ 233	\$ 2,089
Research and development collaboration	-	118	341	362
	\$ -	\$ 118	\$ 574	\$ 2,451
Expenses				
Research and development	1,830	2,170	7,715	8,566
General and corporate	992	883	3,430	3,770
Amortization	239	276	970	897
Write-down of intangible assets	50	-	138	16
	\$ 3,111	\$ 3,329	\$12,253	\$13,249
Operating loss	\$ (3,111)	\$ (3,211)	\$ (11,679)	\$ (10,798)
Interest income	82	79	347	390
Foreign exchange (loss) gain	(3)	(5)	(18)	(135)
Loss for the period	\$ (3,032)	\$ (3,137)	\$ (11,350)	\$ (10,543)
Deficit, beginning of period	(105,633)	(94,177)	(97,315)	(86,771)
Deficit, end of period	\$(108,665)	\$(97,314)	\$(108,665)	\$(97,314)
Basic and diluted loss per common share	\$(0.05)	\$(0.05)	\$(0.16)	\$(0.18)
Weighted avg. number of common shares outstanding (000's)	74,258	59,802	73,054	58,218

STATEMENTS OF CASH FLOWS Unaudited – In Thousands of Canadian dollars				
Loss for the period	\$ (3,032)	\$ (3,137)	\$ (11,350)	\$ (10,543)
Loss not affecting cash:				
Amortization	239	276	970	897
Write-down of intangible assets	50	-	138	16
Stock-based compensation	61	51	288	375
Gain on disposal equipment	-	-	-	(3)
Changes in non-cash working capital items relating to operating activities	710	(583)	1,992	(683)
Cash used in operating activities	\$ (1,972)	\$ (3,393)	\$ (7,962)	\$ (9,941)
Issuance of common shares, net of issue costs	-	-	5,559	543
Proceeds on exercise of stock options	-	-	-	7
Repayment of capital lease obligation	(16)	(9)	(63)	(58)
Cash (used in) provided by financing activities	\$ (16)	\$ (9)	5,496	492
Funds from short-term investments	3,932	851	7,060	6,433
Purchases of equipment	-	(6)	(32)	(178)
Intangible asset expenditures	-	(71)	-	(173)
Acquisition of a business, net of cash acquired	-	-	-	144
Proceeds on disposal of equipment	-	-	-	22
Cash provided by investing activities	\$ 3,932	\$ 774	\$ 7,028	\$ 6,248
Increase (decrease) in cash and cash equivalents	\$ 1,944	\$ (2,628)	\$ 4,562	\$ (3,201)
Cash and cash equivalents, beginning of period	3,799	3,809	1,181	4,382
Cash and cash equivalents, end of period	\$ 5,743	\$ 1,181	\$ 5,743	\$ 1,181

About MIGENIX

MIGENIX is committed to advancing therapy, improving health, and enriching life by developing and commercializing drugs in the areas of infectious and degenerative diseases. The Company's clinical programs include drug candidates for the treatment of chronic hepatitis C infections (Phase II), the prevention of catheter-related infections (Phase III), the treatment of neurodegenerative diseases (Phase I) and the treatment of dermatological diseases (Phase II). MIGENIX is headquartered in Vancouver, British Columbia, Canada with US operations in San Diego, California. Additional information can be found at www.migenix.com.

"Jim DeMesa"

James M. DeMesa, M.D.
President & CEO

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FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements or information within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. All statements or information other than statements of historical fact may be deemed to be forward-looking statements or information. Forward-looking statements frequently, but not always, use the words "intends", "plans", "believes", "anticipates" or "expects" or similar words; that events "will", "may", "could" or "should" occur; and/or include statements or information concerning our strategies, goals, plans and expectations.

Forward-looking statements or information in this news release include, but are not limited to statements or information concerning: CPI-226 Phase III results in the second half of 2007 and Cadence to submit for CPI-226 marketing approvals in the United States and Europe in the first half of 2008; Cadence pursuing pediatric indication for CPI-226; MX-3253 Phase IIb non-responder combination therapy results in October or November 2006; enrollment in the MX-3253 treatment-naïve combination therapy study commencing in July 2006 with 4 week interim results in late 2006 and 12 week results in the first half of 2007; CLS001 Phase II rosacea trial initiated and completed by Cutanea in 2007; MX-4509 results from two non-clinical studies by the end of 2006 with clinical studies to follow as deemed appropriate; MX-2401 manufacturing for GLP non-clinical studies to be completed by the end of 2006; the Company continuing to advance its highest priority programs while operating within an annual burn rate of \$11 million to \$13 million; and the Company's financial resources being sufficient to fund operations into the third quarter of calendar 2007.

We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements or information and you should not place undue reliance on our forward-looking statements or information. Factors that could cause actual events or results expressed or implied by such forward looking statements to differ materially from any future results expressed or implied by such statements or information include, but are not limited to: dependence on corporate collaborations; uncertainties related to early stage of technology and product development; uncertainties as to the requirement that a drug be found to be safe and effective after extensive clinical trials and the possibility that the results of such trials, if commenced and completed, will not establish the safety or efficacy of our products; risks relating to requirements for approvals by government agencies such as the FDA and/or Health Canada before products can be tested in clinical trials and ultimately marketed; the possibility that such government agency approvals will not be obtained in a timely manner or at all or will be conditioned in a manner that would impair our ability to advance development and/or market the product successfully; uncertainties as to future expense levels and the possibility of unanticipated costs or expenses or cost overruns, the possibility that opportunities will arise that require more cash than presently anticipated and other uncertainties related to predictions of future cash requirements; management of growth; dependence on key personnel; the possibility that we will not successfully develop any products; the possibility that advances by competitors will cause our proposed products not to be viable, the risk that our patents could be invalidated or narrowed in scope by judicial actions or that our technology could infringe the patent or other intellectual property rights of third parties; the possibility that any products successfully developed by us will not achieve market acceptance; and other risks and uncertainties which may not be described herein. Certain of these factors and other factors are described in detail in the Company's Annual Information Form and Annual Report on Form 20-F and other filings with the Canadian securities regulatory authorities and the U.S. Securities & Exchange Commission.

Forward-looking statements are based on our current expectations and MIGENIX assumes no obligations to update such information to reflect later events or developments.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.