BIOCRYST RECEIVES NIH GRANT TO DEVELOP HEPATITIS C INHIBITORS

Birmingham, Alabama - July 8, 2003 - BioCryst Pharmaceuticals, Inc. (Nasdaq NM: BCRX) today announced that is has been awarded a Phase I Small Business Innovation Research (SBIR) Advanced Technology Grant from the National Institute of Allergy and Infectious Diseases (NIAID), a unit of The National Institutes of Health (NIH). The $600,000 grant entitled "Optimizing Hepatitis C virus NS5B Polymerase Inhibitors" supports BioCryst's efforts to develop its pre-clinical product candidates for the treatment of hepatitis C. BioCryst will be awarded $300,000 in the first year of the grant, and an additional $300,000 the second year.

BioCryst's research has been directed toward the design, evaluation and synthesis of novel active site-directed inhibitors of hepatitis C polymerase, an enzyme necessary for the hepatitis C virus to replicate itself, in collaboration with Emory University and the French National Center for Scientific Research (CNRS). BioCryst has an exclusive license to compounds resulting from this collaboration. The funding from the SBIR grant will be used to design, optimize and assay orally active inhibitors of hepatitis C virus NS5B polymerase provided by Emory University. Promising inhibitors from this program will also be assayed for activity against Severe Acute Respiratory Syndrome (SARS), West Nile, and Ebola viruses under agreements currently in place with NIAID and the U.S. Army Medical Research Institute of Infectious Diseases.

"This grant enables BioCryst to continue advancing the development of new potential therapies for hepatitis C by identifying and developing selective nontoxic inhibitors of the hepatitis C virus NS5B polymerase," said Yarlagadda Babu, Ph.D., Vice President of Discovery for BioCryst. "The awarding of this grant underscores the recognized need for new therapeutic options to treat hepatitis C. We are excited and pleased by the progress we have made in our hepatitis C polymerase inhibitor program and believe this grant will allow additional advancements."

About hepatitis C virus infection

Hepatitis C virus infection is a common and chronic infection estimated to have infected at least 4 million individuals in the United States. Hepatitis C virus infection is a major cause of morbidity and mortality, both in the United States and throughout the world. Unfortunately, management of hepatitis C virus infection is challenging and imperfect. Therefore, there is an urgent need for the development of antiviral agents active against hepatitis C virus.

About BioCryst Pharmaceuticals, Inc.

BioCryst Pharmaceuticals, Inc. designs, optimizes and develops novel drugs that block key enzymes essential for cancer, cardiovascular diseases and viral infections. BioCryst integrates the necessary disciplines of biology, crystallography, medicinal chemistry and computer modeling to effectively use structure-based drug design to discover and develop small molecule pharmaceuticals. In addition to its hepatitis C polymerase inhibitor program, enrollment in four Phase I trials for one of BioCryst's product candidates, BCX-1777, is underway at several cancer centers for patients with T-cell malignancies, hematologic malignancies, and other refractory cancers. BioCryst also has several new enzyme targets in drug discovery including tissue factor/factor VIIa and complement component C1s. For more information about BioCryst, please visit the company's web site at www.biocryst.com.

These statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. These statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Some of the factors that could affect the forward-looking statements contained herein include that our hepatitis C polymerase inhibitors may prove ineffective; that we may not be able to continue future development of our hepatitis C or any of our other current development programs including BCX-1777, tissue factor/factor VIIa, and complement component C1s; that hepatitis C polymerase inhibitors or our other development programs may never result in future license or royalty payments being received by us; that our hepatitis C polymerase inhibitors or any of our other product candidates may not receive required regulatory clearances from the FDA; that we may not be able to expand our product development pipeline; that we may not have sufficient cash to continue funding the development of our products; and that additional funding, if necessary, may not be available at all or on terms acceptable to us. Please refer to the documents BioCryst files periodically with the Securities and Exchange Commission, specifically BioCryst's most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q, which identify important factors that could cause the actual results to differ materially from those contained in the projections or forward-looking statements.