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Commonwealth Biotechnologies, Inc. and Insmmed, Inc. Sign Contract Research Agreement

CBI to support Clinical and Research Related Activities of Insmmed

RICHMOND, VA (March 12, 2002) - Commonwealth Biotechnologies, Inc. (NASDAQ: CBTE), a life sciences contract research organization and biotechnology company, today announced that it has signed a Contract Research Agreement with Insmmed Incorporated (NASDAQ: INSM), to conduct out-sourced research and development and GLP rated studies in support of Insmmed's portfolio. The Agreement formalizes a relationship that has existed for the past several years between these two Richmond based biotechnology companies.

The full work scope of the work to be done at CBI under the Agreement can be expanded as new data and results are collected, and as Insmmed moves forward with new drug candidates, but under the initial terms of the Agreement, Insmmed will contract with CBI to provide analytic and stability data on product development candidates selected by Insmmed. Under the initial terms of the Agreement, CBI will realize nearly \$ 600,000 in gross revenues over a 24 month period. Upon execution of the Agreement, CBI received an initial payment of \$ 139,000.

“We are pleased to enter into this Agreement with CBI,” commented Dr. Geoffrey Allan, President and CEO of Insmed. “CBI offers top shelf analytical capabilities and we have successfully worked with them on many projects in the past. We expect a commitment from CBI and they deliver in a timely, cost efficient manner. Collection of the data from CBI is critical to our moving our compounds through the complex regulatory processes on their way to human trials and we expect our relationship to grow in the near future. It is very nice to be working in close juxtaposition to another Richmond firm.”

“CBI is recognized as a premier provider of analytical services, and this Agreement with Insmed represents a significant step in solidifying our reputation within the biopharmaceutical industry,” said Dr. Robert B. Harris, President and Chief Scientific Officer of CBI. “The same integrated platform of technologies and level of expertise which makes CBI a leader in the bio-defense arena can be brought to bear in support of Insmed’s clinical objectives. Insmed is a long-standing client of CBI and this Agreement renews our commitment to a very productive on-going relationship.”

About CBI

Founded in 1992, CBI is located at 601 Biotech Drive, Richmond, VA 23235 (1-800-735-9224). The company occupied its 32,000 square foot facility in December, 1999. CBI has provided comprehensive research and development services to more than 2,500 private, government, and academic customers in the global biotechnology industry. For more information, visit CBI on the web at www.cbi-biotech.com.

About Insmed

Insmed Incorporated is a biopharmaceutical company focused on the development of drug candidates for the treatment of type 2 diabetes and other metabolic and endocrine disorders. The Company's lead product candidate, INS-1, is an orally active small molecule that restores insulin sensitivity to tissue. The Company is developing INS-1 for the treatment of type 2 diabetes and polycystic ovary syndrome, a significant women's health disorder. In conjunction to INS-1, the Company is developing SomatoKine(R), a recombinant human protein that has shown evidence of anabolic and insulin sensitizing

properties. SomatoKine is currently being targeted towards the management of both type 1 and type 2 diabetics who are less sensitive to insulin therapy. Further information is available at www.insmed.com

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Any statements contained in this release that relate to future plans, events or performance are forward-looking statements that involve risks and uncertainties as identified in the Company's filings with the Securities and Exchange Commission. Actual results, events or performance may differ materially. No statement herein should be considered an offer of any securities. Such an offer can only be made in accordance with federal and applicable state securities laws. Readers are cautioned not to place undo reliance on these forward-looking statements, which speak only as the date hereof. Specifically, there can be no guarantee that the Agreement referred to herein will not be prematurely terminated thereby reducing or eliminating any revenues associated with said Agreement. In addition, there can be no guaranty that the Companies will extend the parameters of the Agreement to cover additional Insmed drug candidates, if any. The companies undertake no obligation to publicly release the results of any revisions to these forward looking statements that may be made to reflect the events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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