UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2003.

OR

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission file number 00-26078

EXEGENICS INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	75-2402409
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(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2110 Research Row
Dallas, Texas 75235
(Address of Principal Executive Offices)

(214) 358-2000

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes [X] No []

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2): Yes [ ] No [X]

As of August 14, 2003 the registrant had 16,184,486 shares of common stock outstanding.

EXEGENICS INC. TABLE OF CONTENTS

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

EXEGENICS Inc.

BALANCE SHEETS
(in thousands, except share data)

<Table>
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<S>	June 30, 2003 (unaudited) <C>	December 31, 2002 <C>
ASSETS		
Current assets:		
Cash and cash equivalents	$ 13,487	$ 6,188
Restricted cash	550	550
Investments	--	10,004
Prepaid expenses and other current assets	207	515
Total current assets	14,244	17,257
Other assets	33	258
Total assets	$ 14,277	$ 17,515
LIABILITIES AND STOCKHOLDERS' EQUITY		

Current liabilities:		
Accounts payable and accrued expenses	$ 810	$ 1,239
Current portion of capital lease obligations	97	94
Total current liabilities	907	1,333
Capital lease obligations, less current portion	59	108
Total liabilities	966	1,441
Commitments and contingencies	--	--
Stockholders' equity:		
Preferred stock - $.01 par value, 10,000,000 shares authorized; 910,857 and 828,023 shares of Series A convertible preferred issued and outstanding (liquidation value $2,277,000 and $2,070,000)	9	8
Common stock - $.01 par value, 30,000,000 shares authorized; 16,184,486 shares issued	162	162
Additional paid-in capital	67,291	67,272
Subscriptions receivable	(302)	(301)
Accumulated deficit	(51,279)	(48,497)
Treasury stock, 511,200 shares of common stock, at cost	(2,570)	(2,570)
Total stockholders' equity	13,311	16,074
Total liabilities and stockholders' equity	$ 14,277	$ 17,515

</Table>

See accompanying notes.

EXEGENICS Inc.

STATEMENTS OF OPERATIONS
(in thousands, except per share data)

<Table>
<Caption>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
	(unaudited)		(unaudited)	
<S>	<C>	<C>	<C>	<C>
Revenue:				
Licensing & research fees	$ --	$ 222	$ 13	$ 556
Operating Expenses:				
Research and development	32	1,254	163	2,476
General and administrative	1,513	1,031	2,309	2,097
Expenses related to strategic redirection, net of reimbursements	299	--	447	--
	1,844	2,285	2,919	4,573
Operating loss	(1,844)	(2,063)	(2,906)	(4,017)
Other (income) expense, primarily interest	(49)	(178)	(124)	(364)
Net Loss	(1,795)	(1,885)	(2,782)	(3,653)

Preferred stock dividend	--	--	(31)	(169)
Net loss attributable to common shareholders	$ (1,795)	$ (1,885)	$ (2,813)	$ (3,822)
Net loss per share-basic and diluted	$ (0.11)	$ (0.12)	$ (0.18)	$ (0.24)
Weighted average number of shares outstanding - basic and diluted	15,673	15,673	15,673	15,671

</Table>

See accompanying notes.

EXEGENICS Inc.

STATEMENTS OF CASH FLOWS
(in thousands)

<Table>
<Caption>

	Six Months Ended June 30,	
	2003	2002
	(unaudited)	
<S>	<C>	<C>
Cash flows from operating activities:		
Net loss	$ (2,782)	$ (3,653)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	46	210
Value assigned to common shares and options	20	125
Changes in:		
Prepaids and other assets	308	248
Deferred revenue	--	(56)
Accounts payable and accrued expenses	(243)	(336)
Net cash used in operating activities	(2,651)	(3,462)
Cash flows from investing activities:		
Maturity of investment	10,000	23
(Purchase) sale of equipment	(4)	110
Net cash provided by investing activities	9,996	133
Cash flows from financing activities:		
Capital lease payments	(46)	(46)
Net cash used in financing activities	(46)	(46)
NET INCREASE (DECREASE) IN CASH	7,299	(3,375)
Cash and cash equivalents at beginning of period	6,188	14,995
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 13,487	$ 11,620

</Table>

See accompanying notes.

EXEGENICS INC.

NOTES TO FINANCIAL STATEMENTS
June 30, 2003
(Unaudited)

(1) FINANCIAL STATEMENT PRESENTATION

The unaudited financial statements of eXegenics Inc., a Delaware corporation (the "Company"), included herein have been prepared in accordance with the rules and regulations promulgated by the Securities and Exchange Commission and, in the opinion of management, reflect all adjustments necessary to present fairly the results of operations for the interim periods presented. Certain information and note disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. However, management believes that the disclosures are adequate to make the information presented not misleading. These financial statements and the notes thereto should be read in conjunction with the financial statements and the notes thereto included in the Company's Annual Report on Form 10-K and in the Amendment to the Annual Report on Form 10-K/A for the fiscal year ended December 31, 2002. The results for the interim periods are not necessarily indicative of the results for the full fiscal year.

(2) CASH, CASH EQUIVALENTS AND INVESTMENTS

The Company considers all non-restrictive, highly liquid short-term investments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents, which amount to $13,487,000 and $6,188,000 at June 30, 2003 and December 31, 2002, respectively, consist principally of interest-bearing cash deposits placed with a single financial institution. Restricted cash, which amounts to $550,000 at both June 30, 2003 and December 31, 2002, consists of certificates of deposits that are used as collateral for equipment leases.

Investments at December 31, 2002, consisted of a $10,004,000 government agency debt security of which $4,000 represented the remaining unamortized premium associated with the initial purchase of the security. The security matured in February 2003.

(3) LOSS PER COMMON SHARE

Basic and diluted loss per common share is based on the net loss increased by dividends on preferred stock divided by the weighted average number of common shares outstanding during the period. No effect has been given to outstanding options, warrants or convertible preferred stock in the diluted computation, as their effect would be antidilutive.

(4) STOCKHOLDERS' EQUITY

The Company accounts for its stock-based compensation plans under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees." In October 1995, the Financial Accounting Standards Board issued Statement No. 123, "Accounting for Stock-Based Compensation" ("SFAS No. 123"), which establishes a fair value-based method of accounting for stock-based compensation plans. The Company has adopted the disclosure-only alternative under SFAS No. 123. The Company accounts for stock based compensation to non-employees using the fair value method in accordance with SFAS No. 123 and Emerging

Issues Task Force (EITF) Issue No. 96-18. The Company has recognized deferred stock compensation related to certain stock option and warrants grants. No options to purchase shares of common stock were granted in return for consulting services for the six months ended June 30, 2003. During the six months ended June 30, 2002, the Company granted 10,000 and 25,000 options to purchase shares of common stock at $3.20 and $1.67 per share, respectively, in return for consulting services. The Company valued these options based on the Black-Scholes option pricing model. As a result, the Company recorded charges of $14,000 and $18,000 for the three months and the six months ended June 30, 2002, respectively, related to these grants. In connection with other option grants to consultants in previous years, the Company recorded charges of $15,000 and $20,000 the three months and six months ended June 30, 2003, respectively, and $26,000 and $107,000 for the three months and six months ended June 30, 2002, respectively.

We reported 910,822 shares of preferred stock issued and outstanding at March 31, 2003. According to our stock transfer agent, 910,857 shares of preferred stock were outstanding at March 31, 2003 and June 30, 2003. This difference was due to the issuance of full rather than fractional shares of stock associated with the January 2003 preferred stock dividend.

Additional paid-in capital was $67,291,000 at June 30, 2003, an increase of $19,000 from December 31, 2002. This increase was the result of option grant compensation for consultants of $20,000 during the six months ended June 30, 2003 discussed in the previous paragraph, partially offset by the $1,000 charge for the par value of the additional shares of Series A convertible preferred stock issued to satisfy the yearly dividend requirement.

On June 9, 2003, in an effort to preserve the ability of the Board and eXegenics' senior management to resist takeover proposals believed to be inadequate and thus protect stockholder value, eXegenics adopted a stockholder rights plan (the "Rights Plan"). The Rights Plan requires any party seeking to acquire 15% or more of the outstanding eXegenics common stock to obtain the approval of the Board or else the rights granted to eXegenics' stockholders under the Rights Plan that are not held by the acquirer will become exercisable for eXegenics common stock, or common stock of the acquirer, at a discounted price that would make the acquisition prohibitively expensive.

(5) STRATEGIC REDIRECTION

During the six months ended June 30, 2003, the Company recognized additional expenses of $711,000 for severance benefits and legal and other expenses related to terminated scientific programs. These costs were offset by expense reimbursement from Bristol Myers Squibb ("BMS") of $264,000 received during the same period, resulting in a net charge of $447,000 for the six months ended June 30, 2003. Cash payments of $460,000 were charged against previously accrued restructuring expenses during the six months ended June 30, 2003.

During the three months ended June 30, 2003, the Company recognized additional expenses of $563,000 for severance benefits and legal and other expenses related to terminated scientific programs. These costs were offset by expense reimbursement from BMS of $264,000 received during the same period, resulting in a net charge of $299,000 for the three months ended June 30, 2003. Cash payments of $80,000 were charged against previously accrued restructuring expenses during the three months ended June 30, 2003.

(6) STOCK OPTIONS

The following table illustrates the effect on net income and earnings per share if the Company had applied the fair value recognition provisions of SFAS Statement No. 123, Accounting for Stock-Based Compensation, to stock-based compensation.

<Table>
<Caption>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
	(in thousands, except per share amounts) (unaudited)		(in thousands, except per share amounts) (unaudited)	
<S>	<C>	<C>	<C>	<C>
Net loss attributable to common stockholders as reported	$ (1,795)	$ (1,885)	$ (2,813)	$(3,822)
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(33)	(163)	(90)	(410)
Pro forma net loss	$ (1,828)	$ (2,048)	$ (2,903)	$(4,232)
Earnings per share:				
Basic and diluted - as reported	$ (0.11)	$ (0.12)	$ (0.18)	$ (0.24)
Basic - pro forma	$ (0.12)	$ (0.13)	$ (0.19)	$ (0.27)

</Table>

The Company has adopted the provisions of SFAS 148, Accounting for Stock-Based Compensation-Transition and Disclosure, which requires disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reporting results. The Black-Scholes option valuation model was developed for use in estimating the fair market value of traded options that have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of highly subjective assumptions including the expected stock price volatility. Because our stock options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair market value estimates, in management's option, the existing modes do not necessarily provide a reliable single measure of the fair market value of our stock options.

(7) RECLASSIFICATIONS

Certain prior year amounts have been reclassified to conform to current year presentation.

(8) NEW ACCOUNTING PRONOUNCEMENT

In November 2002, the FASB issued FASB Interpretation No. 45, Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others, an interpretation of FASB Statements No. 5, 57, and 107 and Rescission of FASB Interpretation No. 34, or FIN No. 45. FIN No. 45 elaborates on the disclosures to be made by a guarantor in its interim and annual financial statements about its obligations under certain guarantees that it has issued. It also requires that a guarantor recognize, at the inception of a guarantee, a liability for the fair value of certain guarantees. The initial recognition and initial measurement provisions of FIN No. 45 are applicable on a prospective basis to guarantees issued or modified after December 31, 2002. Since January 1, 2003, we have not issued or modified any guarantees as defined by FIN No. 45.

Our charter provides for indemnification, to the fullest extent permitted under Delaware law, of any person who is made a party to any action or threatened with any action as a result of such person's serving or having served as one of our

officers or directors or having served, at our request, as an officer or director of another company. We have separate indemnification agreements with certain of our officers and directors. The indemnification does not apply if, among other things, the person's conduct is finally adjudicated to have been knowingly fraudulent or deliberately dishonest, or to constitute willful misconduct. The indemnification obligation survives termination of the indemnified party's involvement with us but only as to those claims arising from such person's role as an officer or director. The maximum potential amount of future payments that we could be required to make under the charter provision and the corresponding indemnification agreements is unlimited; however, we have director and officer insurance policies that, in most cases, would limit our exposure and enable us to recover a portion of any future amounts paid.

We also enter into indemnification provisions under our agreements with other companies in the ordinary course of business, typically with business partners, contractors, clinical sites and customers. Under these provisions, we generally indemnify and hold harmless the indemnified party for losses suffered or incurred by the indemnified party as a result of our activities. These indemnification provisions generally survive termination of the underlying agreement. The maximum potential amount of future payments we could be required to make under these indemnification provisions is unlimited. However, to date we have not incurred material costs to defend lawsuits or settle claims related to these indemnification provisions.

(9) NEW BUSINESS STRATEGY

eXegenics historically operated as a drug discovery company. In 2002, however, changing market conditions led the Board and eXegenics senior management to consider strategies that would shift the focus of eXegenics from drug discovery into clinical drug development for the purpose of building stockholder value. To that end, the Board concluded that it would be in the best interests of eXegenics' stockholders if eXegenics entered into a business combination with a company having products in clinical development and/or pursued a strategy of in-licensing compounds already engaged in human clinical trials and completed that process.

(10) LITIGATION

On May 15, 2003, The M&B Weiss Family Limited Partnership of 1996 filed a lawsuit in the Delaware Court of Chancery, purportedly as a class action on behalf of all other similarly situated stockholders of eXegenics, against eXegenics and certain of its directors, and purportedly as a derivative action on behalf of eXegenics against the directors (the "Weiss Litigation"). The complaint alleges, among other things, that the defendants have mismanaged eXegenics, have made unwarranted and wasteful loans and payments to certain directors and third parties, have disseminated a materially false and misleading proxy statement in connection with the 2003 annual meeting of eXegenics' stockholders, and have breached their fiduciary duties to act in the best interests of eXegenics and its stockholders. The complaint seeks, among other things, court orders mandating that the defendants cooperate with parties proposing bona fide transactions

to maximize stockholder value, make corrective disclosures with respect to the proxy statement for the 2003 annual meeting, and account to eXegenics and the plaintiffs for damages suffered as a result of the actions alleged in the complaint. The plaintiffs are, in addition, seeking an award of costs and attorneys' fees and expenses. eXegenics and the individual defendants believe the suit to be without merit. Accordingly, on June 9, 2003, the defendants filed a joint motion with the Delaware Court of Chancery to dismiss the complaint for failure to state a claim and for failure to make the statutorily required demand on eXegenics to assert the subject claims. eXegenics cannot predict at this point the length of time that the Weiss Litigation will be ongoing or the liability, if any, which may arise therefrom.

On the same date that the Weiss Litigation was commenced, Dr. Ira J. Gelb and Mr. Irwin C. Gerson resigned as directors of eXegenics citing in their respective letters of resignation apparent stockholder dissatisfaction with the management of the business of eXegenics by the Board and eXegenics senior management. Furthermore, on May 19, 2003, Gary M. Frashier's service as a director ended.

(11) AVI BIOPHARMA, INC. TENDER OFFER

On June 26, 2003, representatives from eXegenics and AVI BioPharma, Inc. ("AVI") met to discuss a merger between the two companies. The terms of the proposed transaction with AVI would offer eXegenics' stockholders shares of the AVI's common stock valued roughly at 110% of the net cash and cash equivalents expected to be held by eXegenics at August 31, 2003, the earliest date by which the parties anticipated the transaction could be completed.

The eXegenics Board of Directors on July 16, 2003 unanimously determined that the merger offer by AVI is fair to and in the best interests of the holders of eXegenics' common stock and the holders of eXegenics' preferred stock, approved the merger agreement and the transactions contemplated thereby and declared that the merger agreement is advisable. The Board further resolved that it would unanimously recommend that eXegenics' stockholders accept AVI's offer, tender their shares in the offer and vote to adopt the merger agreement (if a vote becomes requires under applicable law). On July 25, 2003, AVI commenced the offer.

Our liquidity is primarily affected by responding to the unsolicited tender offer and by the proposed merger with AVI. Under the terms of the merger agreement, we are bound by covenant to having cash and cash equivalents net of accrued and potential liabilities of at least $9,000,000 at the expiration of the tender offer. We believe we will satisfy this condition. We estimate further expenses related to the unsolicited tender offer and merger transactions to include:

<Table>
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Legal	$ 692,000
Transaction fees & solicitation	882,000
Directors & Officers Insurance*	1,013,000
Wages, Salaries and Severance	1,196,000
Termination of Lease Obligations	375,000
Other	259,000
Total	$4,417,000

</Table>

* eXegenics has indemnification agreements with its directors, in addition to the rights to indemnification afforded such individuals in eXegenics' bylaws. The indemnification agreements require eXegenics to maintain directors' and officers' liability insurance covering these individuals for a period from the date of such agreements until six years after the last date on which the individual ceases to be a director, officer, employee, agent or fiduciary of eXegenics. Consistent with these existing obligations, the merger agreement requires eXegenics to procure a six-year "tail" coverage policy for the benefit of each current and former director and officer with whom eXegenics has entered into an indemnification agreement. The estimated cost of this policy is $1,013,000.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

In this section, "Management's Discussion and Analysis of Financial Condition and Results of Operations," references to "we," "us," "our," and "ours" refer to eXegenics Inc.

The following discussion should be read in conjunction with, and is qualified in its entirety by, the Financial Statements and the Notes thereto included in this report. This report contains certain forward-looking statements as that term is defined in the Private Securities Litigation Reform of 1995. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements.. When used in this

report the words "anticipate," "believe," "estimate," "expect" and similar expressions as they relate to our management or us are intended to identify such forward-looking statements. Our actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. Historical operating results are not necessarily indicative of the trends in operating results for any future period.

eXegenics historically operated as a drug discovery company. In 2002, however, changing market conditions led the Board and eXegenics senior management to consider strategies that would shift the focus of eXegenics from drug discovery into clinical drug development for the purpose of building stockholder value. To that end, the Board concluded that it would be in the best interests of eXegenics' stockholders if eXegenics entered into a business combination with a company having products in clinical development and/or pursued a strategy of in-licensing compounds already engaged in human clinical trials and completed that process.

On May 15, 2003, The M&B Weiss Family Limited Partnership of 1996 filed a lawsuit in the Delaware Court of Chancery, purportedly as a class action on behalf of all other similarly situated stockholders of eXegenics, against eXegenics and certain of its directors, and purportedly as a derivative action on behalf of eXegenics against the directors (the "Weiss Litigation"). The complaint alleges, among other things, that the defendants have mismanaged eXegenics, have made unwarranted and wasteful loans and payments to certain directors and third parties, have disseminated a materially false and misleading proxy statement in connection with the 2003 annual meeting of eXegenics' stockholders, and have breached their fiduciary duties to act in the best interests of eXegenics and its stockholders. The complaint seeks, among other things, court orders mandating that the defendants cooperate with parties proposing bona fide transactions to maximize stockholder value, make corrective disclosures with respect to the proxy statement for the 2003 annual meeting, and account to eXegenics and the plaintiffs for damages suffered as a result of the actions alleged in the complaint. The plaintiffs are, in addition, seeking an award of costs and attorneys' fees and expenses. eXegenics and the individual defendants believe the suit to be without merit. Accordingly, on June 9, 2003, the defendants filed a joint motion with the Delaware Court of Chancery to dismiss the complaint for failure to state a claim and for failure to make the statutorily required demand on eXegenics to assert the subject claims. eXegenics cannot predict at this point the length of time that the Weiss Litigation will be ongoing or the liability, if any, which may arise therefrom.

On the same date that the Weiss Litigation was commenced, Dr. Ira J. Gelb and Mr. Irwin C. Gerson resigned as directors of eXegenics citing in their respective letters of resignation apparent stockholder dissatisfaction with the management of the business of eXegenics by the Board and eXegenics senior management. Furthermore, on May 19, 2003, Gary M. Frashier's service as a director ended.

On May 29, 2003, EI Acquisition Inc. ("EI Acquisition"), a wholly-owned subsidiary of Foundation Growth Investments LLC (together with EI Acquisition, the "Foundation Group"), commenced an unsolicited cash tender offer (the "Foundation Offer") for all of the outstanding shares of common stock and Series A preferred stock at a price of $0.40 per share, which offer price was later reduced to $0.37 per share. For the reasons described in eXegenics' Solicitation/Recommendation Statement on Schedule 14D-9 in response to the Foundation Offer, filed with the Securities and Exchange Commission on June 12, 2003,

as amended (the "Foundation Schedule 14D-9"), the Board has unanimously recommended that eXegenics stockholders reject the Foundation Offer and not tender their shares of eXegenics Stock to the Foundation Group. On July 31, 2003, the Foundation Group announced that it has raised the offer price to $0.51 per share.

On June 9, 2003, in an effort to preserve the ability of the Board and eXegenics' senior management to resist inadequate takeover proposals and thus protect stockholder value, eXegenics adopted a stockholder rights plan (the "Rights Plan"). The Rights Plan requires any party seeking to acquire 15% or more of the outstanding eXegenics common stock to obtain the approval of the Board or else the rights granted to eXegenics' stockholders under the Rights

Plan that are not held by the acquirer will become exercisable for eXegenics common stock, or common stock of the acquirer, at a discounted price that would make the acquisition prohibitively expensive.

On June 18, 2003, the Foundation Group filed with the Securities and Exchange Commission (the "Commission") preliminary proxy materials relating to its commencement of a solicitation of eXegenics' stockholders to consent to the removal of all the members of eXegenics' board of directors and the election of three new directors nominated by the Foundation Group to serve as the sole members of eXegenics' board of directors. The Foundation Group's consent solicitation materials stated the belief of the Foundation Group that, if elected, the Foundation Group's nominees would consider taking the following actions: (i) exempting the Foundation Group from the application of the poison pill adopted by eXegenics' board of directors; (ii) exempting the Foundation Group from the application of the Delaware anti-takeover statute; (iii) repealing all of the recent amendments to eXegenics' bylaws, which provide, among other things, for certain procedures for stockholder proposals and nominations to be presented at stockholder meetings and for stockholders taking action by written consent; and (iv) approving a merger between eXegenics and EI Acquisition Inc. following the completion of the Foundation Offer. On June 25, 2003, eXegenics filed with the Commission preliminary proxy materials relating to its opposition to the Foundation Group's consent solicitation. eXegenics' materials stated the belief of eXegenics that its stockholders should not provide their consent to the Foundation Group's proposals and should revoke any such consents that might have been given.

On June 26, 2003, representatives from eXegenics and AVI BioPharma, Inc. ("AVI") met to discuss a merger between the two companies. The terms of the proposed transaction with AVI would offer eXegenics' stockholders shares of the AVI's common stock valued roughly at 110% of the net cash and cash equivalents expected to be held by eXegenics at August 31, 2003, the earliest date by which the parties anticipated the transaction could be completed.

The eXegenics Board of Directors on July 16, 2003 unanimously determined that the merger offer by AVI is fair to and in the best interests of the holders of eXegenics' common stock and the holders of eXegenics' preferred stock, approved the merger agreement and the transactions contemplated thereby and declared that the merger agreement is advisable. The Board further resolved that it would unanimously recommend that eXegenics' stockholders accept AVI's offer, tender their shares in the offer and vote to adopt the merger agreement (if a vote becomes requires under applicable law). On July 25, 2003, AVI commenced the offer.

On August 11, 2003, AVI announced that it had amended the terms of its offer and extended the offer to August 29, 2003. Under the terms of the amended offer, AVI is offering to exchange 0.123 of a share of AVI common stock for each share of eXegenics common stock, and 0.185 of a share of AVI common stock for each share of eXegenics preferred stock. These exchange ratios represent an increase of approximately 20 percent over the corresponding exchange ratios previously announced by AVI. Also on August 11, 2003, eXegenics announced that its Board of Directors had unanimously reaffirmed its recommendation that stockholders accept AVI's offer and reject the unsolicited offer by the Foundation Group.

Our discussion and analysis of our financial condition and results of operations are based upon our financial

statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to investments, intangible assets, income taxes, contingencies and litigation. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our consolidated financial statements. Revenue from research support agreements is recognized ratably over the length of the agreements. Revenue resulting from contracts or agreements with milestones is recognized when the milestone is achieved. Amounts received in advance of services to be performed or the achievement of milestones are recorded as deferred revenue. Payments to third parties in connection with nonrefundable license fees are being recognized over the period of performance of related research and development activities. We record a valuation allowance to reduce our deferred tax assets to the amount that is more likely than not to be realized. While we have considered future taxable income and ongoing prudent and feasible tax planning strategies in assessing the need for the valuation allowance, in the event we were to determine that we would be able to realize deferred tax assets in the future in excess of its net recorded amount, an adjustment to the net deferred tax asset would increase income in the period such determination was made. Likewise, should we determine that we would not be able to realize all or part of our net deferred tax asset in the future, an adjustment to the net deferred tax asset would be charged to income in the period such determination was made.

RESULTS OF OPERATIONS

FOR THE THREE MONTHS ENDED JUNE 30, 2003 AND 2002

Revenue

There were no revenues for the three months ended June 30, 2003. Revenues were $222,000 for the three months ended June 30, 2002, which were attributable to license and research and development payments from Bristol-Myers Squibb ("BMS").

Research and Development Expenses

We incurred research and development expenses of $32,000 for the three months ended June 30, 2003 and $1,254,000 for the three months ended June 30, 2002, a decrease of $1,222,000 or 97 percent. The decrease in research and development expenses for the three months ended June 30, 2003, as compared to the same period in 2002, was attributable to the termination of substantially all research programs resulting in a $396,000 decrease in research salaries and benefits, a $204,000 decrease in contract research, license and royalty agreements, and a $406,000 decrease in research services, supplies and consultants. The remaining decrease of $216,000 was due to decreased building, equipment, depreciation and other research and development expenses.

General and Administrative Expenses

We incurred general and administrative expenses as of $1,513,000 for the three months ended June 30, 2003 and $1,031,000 for the three months ended June 30, 2002, an increase of $482,000 or 47 percent. The increase in general and administrative expenses for the three months ended June 30, 2003 as compared to the same period in 2002 was attributable to a $430,000 increase in legal fees and a $52,000 increase in other operating expenses. Legal expenses for the three months ended June 30, 2003 included approximately $44,000 related to threatened or pending litigation and $330,000 related primarily to

responding to the Foundation Group unsolicited tender offer, as well as the AVI merger transaction. Total transaction related expenses, including business and legal expenses, incurred in the quarter ended June 30, 2003 were approximately $520,000.

Expenses Related to Strategic Redirection

Expenses related to strategic redirection, net of recoveries, were $299,000 for the quarter ended June 30, 2003. We incurred $563,000 in expenses from operations terminated during the three months ended June 30, 2003, which included $272,000 for terminated employees, a charge of $170,000 for writing down laboratory equipment to its estimated resale value, and $121,000 for other expenses related to terminated scientific programs. This amount was offset by the reimbursement of $264,000 of research and development costs from BMS. Approximately $362,000 in accrued expenses remains to be paid.

Other Income and Expense

Other income, net of other expenses, was $49,000 and $178,000 for the three months ended June 30, 2003 and June 30, 2002, respectively, a decrease of $129,000 or 72 percent. This decrease was due primarily to a decline in interest income of $142,000, from $182,000 for the three months ended June 30, 2002 to $40,000 for the same period in 2003. The decrease in interest income was due to lower interest rates in 2003 and also to lower invested balances. The decrease in interest income was partially offset by an increase in gains on the disposition of assets and other miscellaneous income totaling $13,000.

Net Loss

We incurred a net loss attributable to common shareholders of $1,795,000 and $1,885,000 for the three months ended June 30, 2003 and June 30, 2002, respectively. The decrease in net loss of $90,000 was primarily the result of the aforementioned changes in our operations. Net loss per common share was $0.11 and $0.12 for the three months ended June 30, 2003 and June 30, 2002, respectively.

FOR THE SIX MONTHS ENDED JUNE 30, 2003 AND 2002

Revenue

Revenues were $13,000 and $556,000 for the six months ended June 30, 2003 and 2002, respectively, a decrease of $543,000 or 98 percent. Revenues in both periods were attributable to license and research and development payments from our agreements, with Aventis in 2003 and Bristol-Myers Squibb in 2002. Since we have terminated substantially all licenses to research and development agreements, we do not expect to record revenue for the foreseeable future.

Research and Development Expenses

We incurred research and development expenses of $163,000 for the six months ended June 30, 2003 and $2,476,000 for the six months ended June 30, 2002, a decrease of $2,313,000 or 93 percent. The decrease in research and development expenses for the six months ended June 30, 2003 as compared to the same period in 2002 was attributable to the termination of substantially all research programs resulting in a $768,000 decrease for research salaries and benefits, a $551,000 decrease in expenses for contract research, licenses and royalties, and a $639,000 decrease in research services, supplies, and consultants. The remaining decrease of $355,000 was due to decreased building, equipment, depreciation and lab supplies expenses.

General and Administrative Expenses

We incurred general and administrative expenses of $2,309,000 for the six months ended June 30, 2003 and $2,097,000 for the six months ended June 30, 2002, an increase of $212,000 or 10 percent. The increase in general and administrative expenses for the six months ended June 30, 2003 as compared to the same period

in 2002 was attributable to a $421,000 increase in corporate legal activities and a $76,000 increase in professional consulting fees and a $40,000 increase in other operating expenses, partially offset by a $325,000 decrease in expenses and legal services related to intellectual property. Legal expenses for the six months ended June 30, 2003 included approximately $44,000 related to threatened or pending litigation and $355,000 related primarily to responding to the Foundation Group unsolicited tender offer, as well as the AVI merger transaction. Total transaction related expenses, including business and legal expenses, incurred in the six months ended June 30, 2003 were approximately $554,000.

Expenses Related to Strategic Redirection

We incurred expenses related to strategic redirection, net of recoveries, of $447,000 for the six months ended June 30, 2003. The charge was primarily due to $399,000 in severance benefits and $170,000 for the write down of laboratory equipment to its estimated resale value. In addition, there were charges of $142,000 for other expenses of terminated scientific programs. These expenses

were partially offset by the $264,000 reimbursement from Bristol-Myers Squibb.

Other Income and Expense

Other income, net of other expenses, was $124,000 and $364,000 for the six months ended June 30, 2003 and June 30, 2002, respectively, a decrease of $240,000 or 66 percent. This change was due primarily to a decrease in interest income of $258,000 for the six months ended June 30, 2003 as compared to the same period in 2002. The decrease in interest income was due to lower interest rates in 2003 and also to lower invested balances. The decline in interest income was partially offset by the net increase in other income and expense of $18,000.

Net Loss

In the six months ended June 30, 2003, we incurred a net loss attributable to common shareholders of $2,813,000, or 26 percent less than the $3,822,000 loss for the six months ended June 30, 2002. The decrease in net loss of $1,009,000 was primarily the result of the aforementioned changes in our operations. Net loss per common share was $0.18 for the six months ended June 30, 2003 and $0.24 for the six months ended June 30, 2002.

Liquidity and Capital Resources

At June 30, 2003, we had cash and cash equivalents of approximately $14,037,000. Since our inception, we have financed our operations from debt and equity financings as well as fees received from licensing and research and development agreements. During the six months ended June 30, 2003, net cash used in operating activities was $2,651,000, the largest elements of which were payments, net of reimbursements, of approximately $737,000 related to the termination of scientific programs. In addition, during the six months ended June 30, 2003, we received $10,000,000 from a maturing investment instrument. The latter funds were reinvested in short-term money market instruments.

Our liquidity is primarily affected by responding to the unsolicited tender offer and by the proposed merger with AVI. Under the terms of the merger agreement, we are bound by covenant to having cash and cash equivalents net of accrued and potential liabilities of at least $9,000,000 at the expiration of the tender offer. We believe we will satisfy this condition. We estimate further expenses related to the unsolicited tender offer and merger transactions to include:

<Table>
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Legal	$ 692,000
Transaction fees & solicitation	882,000
Directors & Officers Insurance*	1,013,000
Wages, Salaries and Severance	1,196,000
Termination of Lease Obligations	375,000
Other	259,000
Total	$4,417,000

</Table>

* eXegenics has indemnification agreements with its directors, in addition to the rights to indemnification afforded such individuals in eXegenics' bylaws. The indemnification agreements require eXegenics to maintain directors' and officers' liability insurance covering these individuals for a period from the date of such agreements until six years after the last date on which the individual ceases to be a director, officer, employee, agent or fiduciary of eXegenics. Consistent with these existing obligations, the merger agreement requires eXegenics to procure a six-year "tail" coverage policy for the benefit of each current and former director and officer with whom eXegenics has entered into an indemnification agreement. The estimated cost of this policy is $1,013,000.

We believe that we have sufficient cash and cash equivalents on hand at June 30, 2003 to finance our plan of operation through June 30, 2004. We currently have no new material commitments to purchase capital assets or intellectual property

through December 31, 2003. There can be no assurance that any required financings will be available, through bank borrowings, debt or equity offerings on acceptable terms or at all, should additional funding be required.

Trading in the Company's Common Stock

On October 25, 2002, we transferred from the Nasdaq National Market to the Nasdaq SmallCap Market as a result of our failure to comply with the Nasdaq National Market's minimum bid price requirement of $1.00 per share. On January 21, 2003, we were provided an additional 180 calendar days, or until July 21, 2003, to regain compliance with such requirement. Although on July 21, 2003 we failed to regain compliance with such requirement given that we met the initial listing requirements for the Nasdaq SmallCap Market, specifically, the $5 million stockholders' equity requirement on July 21, 2003, Nasdaq provided us with an additional 90 calendar days, or until October 20, 2003 to regain compliance with the minimum bid price requirement. If we are unable to achieve or maintain the minimum $1.00 bid price per share requirement of either the Nasdaq National Market or the Nasdaq SmallCap Market, we will be delisted.

If we are delisted from the Nasdaq SmallCap Market, the liquidity of our common stock could be further materially impaired, not only with respect to the number of shares that may be bought and sold at a given price, but also through delays in the timing of transactions and reduction in media coverage of our company.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our exposure to financial market risk, including changes in interest rates, relates primarily to our cash and cash equivalents portfolio. Our cash and cash equivalents portfolio is invested in money market funds that maintain large portfolios consisting of short-term securities with investment grade ratings to minimize interest rate and credit risk as well as to provide for an immediate source of funds. Due to the nature of our investments we have concluded that there is no material market risk exposure. We do not believe that a 100 basis point increase or decrease in interest rates would significantly impact our business. We do not have any derivative instruments. We operate only in the United States and all sales have been made in U.S. dollars. We do not have any material exposure to changes in foreign currency exchange rates.

ITEM 4. CONTROLS AND PROCEDURES

Our management, including President and Chief Executive Officer Ronald L. Goode and Chief Business Officer and Chief Financial Officer David E. Riggs, after evaluating the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this Quarterly Report on Form 10-Q, have concluded that, based on such evaluation, our disclosure controls and procedures were adequate and effective, particularly during the period in which this Quarterly Report on Form 10-Q was being prepared.

Further, there were no significant changes in the internal control over financial reporting, identified in connection with the evaluation of such internal control that occurred during our last fiscal quarter, that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

On May 15, 2003, a lawsuit was filed by The M&B Weiss Family Limited Partnership of 1996 in the Delaware Court of Chancery against eXegenics, purportedly as a class action on behalf of the plaintiff and on behalf of all other similarly situated stockholders of eXegenics, and as a derivative action on behalf of eXegenics against certain directors and senior officers of eXegenics. The complaint alleges, among other things, that the defendants have mismanaged eXegenics, have made unwarranted and wasteful loans and payments to certain directors and third parties, have disseminated a materially false and misleading

proxy statement in connection with the upcoming annual meeting of eXegenics' stockholders, and have breached their fiduciary duties to act in the best interests of eXegenics and its stockholders. The complaint seeks, among other things, court orders mandating that the defendants cooperate with parties proposing bona fide transactions to maximize stockholder value, make corrective disclosures with respect to the latest proxy statement, and account to eXegenics and the plaintiffs for damages suffered as a result of the actions alleged in the complaint. The plaintiffs are in addition seeking an award of costs and attorneys' fees and expenses.

eXegenics and the individual defendant officers and directors believe the suit to be without merit. Accordingly, on June 9, 2003, the defendants filed a joint motion with the Delaware Court of Chancery to dismiss the complaint for failure to state a claim and for failure to make the statutorily required demand on eXegenics to assert the subject claims. eXegenics cannot predict at this point the length of time that this litigation will be ongoing.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On June 17, 2003, the Annual Meeting of Shareholders was held and the shares present voted on the following matters:

(2.) The shareholders approved the election of the following nominees to serve on the Board of Directors:

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	VOTES FOR	VOTES WITHHELD
<S>	<C>	<C>
Joseph M. Davie	14,551,431	425,645
Robert J. Easton	14,486,736	490,338
Ronald L. Goode	14,551,451	425,623
Walter M. Lovenberg	14,551,431	425,643

</Table>

Two additional nominees, Dr. Ira J. Gelb and Mr. Irwin C. Gerson, received sufficient votes to be elected to serve as directors at the Annual Meeting and would have been elected had they not resigned on May 15, 2003.

(2.) The appointment of Ernst & Young LLP as auditors for the Company for the fiscal year 2003 was approved with 14,847,550 votes FOR, 109,232 votes AGAINST, and 20,292 votes ABSTAINING.

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits:

Exhibit 3.1 Certificate of Correction to the Certificate of Amendment to the Certificate of Incorporation of eXegenics filed with the Delaware Secretary of State on July 14, 2003.*

Exhibit 4.1 Amendment to Stockholder Rights Agreement entered into as of July 16, 2003, by and between eXegenics and American Stock and Transfer Company, as

Rights Agent.*

Exhibit 10.1 Form of Indemnification Agreement by and among eXegenics and certain of its current and former directors and officers.*

Exhibit 31.1 Certification of the Principal Executive Officer pursuant to Rule 13A-15(e) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2003.*

Exhibit 31.2 Certification of the Principal Financial Officer pursuant to Rule 13A-15(e) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2003.*

Exhibit 32.1 Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2003.*

Exhibit 32.2 Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2003.*

(* Filed herewith.)

(b) The following reports were filed on Form 8-K during the quarter ended June 30, 2003:

(1) On April 11, 2003, we filed a Current Report on Form 8-K disclosing, among other things, that the termination of the Master License Agreement between the Registrant and Bristol-Myers Squibb had been finalized and that we had sent a termination notice to the related license from The Washington State University Foundation.

(2) On May 13, 2003, we filed a Current Report on Form 8-K announcing results for the three months ended March 31, 2003.

(3) On May 19, 2003, we filed a Current Report on Form 8-K disclosing, among other things, a lawsuit filed by The M&B Weiss Family Limited Partnership of 1996 against the Registrant and

the resignation of Dr. Ira J. Gelb and Mr. Irwin C. Gerson as directors of the Registrant.

(4) On May 30,2003, we filed a Current Report on Form 8-K announcing an unsolicited offer from EI Acquisition Inc. and Foundation Growth Investments LLC to acquire the outstanding common and preferred stock of the Registrant.

(5) On June 9, 2003, we filed a Current Report on Form 8-K announcing the declaration of a dividend distribution of one right to purchase one one-thousandth of a share of Series B Junior Participating Preferred Stock for each outstanding share of common stock.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

EXEGENICS INC.

Date: August 14, 2003 /s/ Ronald L. Goode

Chairman, President & Chief Executive Officer

Date: August 14, 2003

/s/ David E. Riggs

David E. Riggs
Vice President, Chief Business Officer and Chief Financial Officer

EXHIBIT INDEX

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EXHIBIT NUMBER	DESCRIPTION
<S>	<C>
3.1	Certificate of Correction to the Certificate of Amendment to the Certificate of Incorporation of eXegenics field with the Delaware Secretary of State on July 14, 2003.
4.1	Amendment to stockholder Rights Agreement entered into as of July 16, 2003, by and between eXegenics and American Stock and Transfer Company, as Rights Agent.
10.1	Form of Indemnification Agreement by and among eXegenics and certain of its current and former directors and officers.
31.1	Certification of the Principal Executive Officer pursuant to Rule 13A-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2003.
31.2	Certification of the Principal Financial Officer pursuant to Rule 13A-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2003.
32.1	Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2003.
32.2	Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2003.

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EXHIBIT 3.1

CERTIFICATE OF CORRECTION TO THE CERTIFICATE OF AMENDMENT OF THE CERTIFICATE OF INCORPORATION OF EXEGENICS INC.

It is hereby certified that:

1. The name of the corporation is eXegenics Inc. (the "Corporation").

2. The Certificate of Amendment of the Certificate of Incorporation of the Corporation, filed with the Secretary of State of the State of Delaware on August 2, 1995 (the "Amendment"), was an inaccurate record of the corporate action referred to therein.

3. The inaccuracy to be corrected in the Amendment is as follows:

   The Amendment omitted to reflect in Article THIRD the corporate actions taken with respect to the reclassification and change of each 2.5 shares of the Corporation's Common Stock and Series A Preferred Stock into one share of the Corporation's Common Stock and Series A Preferred Stock, respectively.

4. The portion of the Amendment in corrected form is as follows:

   Article THIRD of the Amendment shall be corrected to read in its entirety as follows:

   "That as of the date of filing of this Certificate of Amendment, each two and a half (2.5) shares of the outstanding shares of Common Stock shall be reclassified and changed into one share of Common Stock and that each two and a half (2.5) shares of Series A Preferred Stock, be reclassified and changed into one share of Series A Preferred Stock, and that the aforesaid Amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation law of the State of Delaware;".

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Correction to the Certificate of Amendment of the Certificate of Incorporation of eXegenics Inc. to be signed by its duly authorized officer this 15th day of July 2003.

EXEGENICS INC.

By:

Name: Ronald L. Goode
Title: Chief Executive Officer

EXHIBIT 4.1

AMENDMENT TO STOCKHOLDER RIGHTS AGREEMENT

THIS AMENDMENT (this "AMENDMENT") is entered into as of July 15, 2003, by and between, eXegenics Inc., a Delaware corporation (the "COMPANY"), and American Stock Transfer & Trust Company, as Rights Agent (the "RIGHTS AGENT").

RECITALS

A. The Company and the Rights Agent are parties to a Rights Agreement dated as of June 9, 2003 (the "RIGHTS AGREEMENT").

B. The Company, AVI BioPharma Inc., an Oregon corporation ("PARENT") and eXegenics Acquisition, Inc., a Delaware corporation and a wholly owned subsidiary of Parent ("ACQUISITION SUB"), intend to enter into an Agreement and Plan of Merger (the "ACQUISITION AGREEMENT") pursuant to which, among other things, (i) Acquisition Sub will commence an exchange offer in accordance with the Securities Exchange Act of 1934, as amended, for all of the outstanding shares of the common stock, par value $0.01 per share, of the Company (including the Rights attached thereto) and all of the outstanding shares of Preferred Stock, par value $0.01 per share of the Company (the "OFFER"), and (ii) if Acquisition Sub acquires shares of the Company's capital stock in the Offer, Acquisition Sub will merge with and into the Company (the "MERGER"), and the Company will survive the Merger as a wholly owned subsidiary of Parent;

C. On July 15, 2003, the Board of Directors of the Company determined it is in the best interest of the Company's stockholders to amend the Rights Agreement to render the Rights inapplicable to the Offer, the Merger and any of the other transactions contemplated by the Acquisition Agreement, including, without limitation, the execution and delivery of, and the consummation of the transactions contemplated by, the Stockholder Agreements to be executed concurrently with the execution of the Acquisition Agreement by certain stockholders of the Company for the benefit of Parent and Acquisition Sub (the "STOCKHOLDER AGREEMENTS") and (ii) certain other transactions involving Parent, Acquisition Sub or another wholly-owned subsidiary of Parent; and

D. The Company desires to amend the Rights Agreement in accordance with Section 27 of the Rights Agreement.

Accordingly, the parties agree that:

1. AMENDMENT TO DEFINITION OF "ACQUIRING PERSON" SET FORTH IN SECTION 1(a). The definition of "Acquiring Person" set forth in Section 1(a) of the Rights Agreement is hereby amended by adding the following new paragraph at the end of Section 1(a):

"Notwithstanding anything in this Agreement that might otherwise be deemed to the contrary, no Person will become an Acquiring Person solely by reason of (i) the execution, delivery, amendment, supplement or performance of the Agreement and Plan of Merger, dated as of July 16, 2003 (the "Acquisition Agreement"), among the Company, AVI BioPharma, Inc., an Oregon corporation ("Parent") and eXegenics Acquisition, Inc., a Delaware corporation ("Acquisition Sub"), or the execution, delivery, amendment, supplement or performance of any of the stockholder agreements dated July 16, 2003 among certain stockholders of the Company and Parent (the "Stockholder Agreements"), (ii) the commencement by Parent, Acquisition Sub or any other Subsidiary of Parent of the Offer (as defined in the Acquisition Agreement), (iii) the acquisition of any shares of capital stock of the Company by Parent, Acquisition Sub or any other Subsidiary of Parent pursuant to the Offer or the exercise by either Parent or Acquisition Sub of the Common Top-Up Option

(as defined in the Acquisition Agreement) or the Preferred Top-Up Option (as defined in the Acquisition Agreement), (iv) the consummation of the Merger (as defined in the Acquisition Agreement), or (v) the consummation of any of the other transactions contemplated by the Acquisition Agreement or any of the

Stockholder Agreements; provided that any Person who (X) would be an Acquiring Person but for this sentence and (Y) prior to the Acceptance Date, as that term is defined in the Acquisition Agreement, becomes the Beneficial Owner of any shares of Common Stock other than as contemplated by the Acquisition Agreement or any of the Stockholders Agreements, shall be deemed an Acquiring Person."

2. AMENDMENT TO DEFINITION OF "STOCK ACQUISITION DATE" SET FORTH IN SECTION 1(jj). The definition of "Stock Acquisition Date" set forth in Section 1(jj) of the Rights Agreement is hereby amended by adding the following new paragraph at the end of Section 1(jj):

"Notwithstanding anything in this Agreement that might otherwise be deemed to the contrary, a Stock Acquisition Date shall not be deemed to have occurred solely by reason of (i) the execution, delivery, amendment, supplement or performance of the Acquisition Agreement or the execution, delivery, amendment, supplement or performance of any of the Stockholder Agreements, (ii) the commencement by Parent, Acquisition Sub or any other Subsidiary of Parent of the Offer, (iii) the acquisition of any shares of capital stock of the Company by Parent, Acquisition Sub or any other Subsidiary of Parent pursuant to the Offer or the exercise by either Parent or Acquisition Sub of the Common Top-Up Option or the Preferred Top-Up Option, (iv) the consummation of the Merger, (v) the consummation of any of the other transactions contemplated by the Acquisition Agreement or any of the Stockholder Agreements, or (vi) the public announcement of the execution, delivery, amendment, supplement or performance of the Acquisition Agreement or the execution, delivery, amendment, supplement or performance of any of the Stockholder Agreements."

3. AMENDMENT TO DEFINITION OF "TRIGGERING EVENT" SET FORTH IN SECTION 1(nn). The definition of "Triggering Event" set forth in Section 1(nn) of the Rights Agreement is hereby amended by adding the following new paragraph at the end of Section 1(nn):

"Notwithstanding anything in this Agreement that might otherwise be deemed to the contrary, a Triggering Event shall not be deemed to have occurred solely by reason of (i) the execution, delivery, amendment, supplement or performance of the Acquisition Agreement or the execution, delivery, amendment, supplement or performance of any of the Stockholder Agreements, (ii) the commencement by Parent, Acquisition Sub or any other Subsidiary of Parent of the Offer, (iii) the acquisition of any shares of capital stock of the Company by Parent, Acquisition Sub or any other Subsidiary of Parent pursuant to the Offer or the exercise by either Parent or Acquisition Sub of the Common Top-Up Option or the Preferred Top-Up Option, (iv) the consummation of the Merger, (v) the consummation of any of the other transactions contemplated by the Acquisition Agreement or any of the Stockholder Agreements, or (iv) the public announcement of the execution, delivery, amendment, supplement or performance of the Acquisition Agreement or the execution, delivery, amendment, supplement or performance of any of the Stockholder Agreements."

4. AMENDMENT TO DEFINITION OF "FINAL EXPIRATION DATE" SET FORTH IN SECTION 1(r). The definition of "Final Expiration Date" set forth in Section 1(r) of the Rights Agreement is hereby deleted in its entirety and replaced by the following new Section 1(r):

""Final Expiration Date" shall mean the earlier of (i) the moment in time immediately prior to the Effective Time (as defined in the Acquisition Agreement) or (ii) the close of business on June 9, 2013."

5. AMENDMENT TO SECTION 3(a) "ISSUE OF RIGHTS CERTIFICATES". Section 3(a) of the Rights Agreement is hereby amended by adding the following new paragraph at the end of Section 3(a):

"Notwithstanding anything in this Agreement that might otherwise be deemed to the contrary, a Distribution Date shall not be deemed to have occurred solely by reason of (i) the execution, delivery,

amendment, supplement or performance of the Acquisition Agreement or the execution, delivery, amendment, supplement or performance of any of the Stockholder Agreements, (ii) the commencement by Parent, Acquisition Sub or any other Subsidiary of Parent of the Offer, (iii) the acquisition of any shares of capital stock of the Company by Parent, Acquisition Sub or any other Subsidiary of Parent pursuant to the Offer or the exercise by either Parent or Acquisition

Sub of the Common Top-Up Option or the Preferred Top-Up Option, (iv) the consummation of the Merger, (v) the consummation of any of the other transactions contemplated by the Acquisition Agreement or any of the Stockholder Agreements, or (iv) the public announcement of the execution, delivery, amendment, supplement or performance of the Acquisition Agreement or the execution, delivery, amendment, supplement or performance of any of the Stockholder Agreements."

6. MISCELLANEOUS. Except as set forth herein, the Rights Agreement shall remain in full force and effect and shall be otherwise unaffected by this Amendment. This Amendment shall be deemed to be a contract made under the laws of the State of Delaware and for all purposes shall be governed by and construed in accordance with the laws of such State applicable to contracts to be made and performed entirely within such State. This Amendment may be executed in any number of counterparts, each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument. If any term, provision, covenant or restriction of this Amendment is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Amendment shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

(signature on following page)

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Stockholder Rights Agreement to be duly executed and attested, all as of the day and year first above written.

ATTEST: EXEGENICS INC.

By: By:
---------- ----------
Name: Name:
Title: Title

ATTEST: AMERICAN STOCK TRANSFER & TRUST COMPANY

By: By:
---------- ----------
Name: Name:
Title: Title:

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EXHIBIT 10.1

INDEMNIFICATION AGREEMENT

This Indemnification Agreement is made as of this ____ day of _____, ____, by and between eXegenics Inc. (f/k/a Cytoclonal Pharmaceutics, Inc.), a Delaware corporation (the "COMPANY") and _____ ("INDEMNITEE").

WITNESSETH:

WHEREAS, the Company, in order to induce Indemnitee to serve the Company as a director, has agreed to provide Indemnitee with the benefits contemplated by this Agreement;

WHEREAS, as a result of the provision of such benefits Indemnitee has agreed to serve as a director of the Company;

WHEREAS, the By-laws of the Company and the Certificate of Incorporation of the Company require the Company to indemnify its directors and officers and others to the full extent permitted by law, and the Indemnitee has agreed to serve as a director of the Company in part in reliance on such By-laws and Certificate of Incorporation; and

WHEREAS, (x) in recognition of (A) Indemnitee's need for protection against personal liability, in order to enhance Indemnitee's service to the Company in an effective manner, and (B) Indemnitee's reliance on the Company's By-laws and Certificate of Incorporation, and (y) in part to provide Indemnitee with specific contractual assurance that the protection promised by such By-laws and Certificate of Incorporation will be available to Indemnitee (regardless of, among other things, any amendment to or revocation of such By-laws or Certificate of Incorporation or any change in the composition of the Board of Directors of the Company (the "BOARD") or Change of Control (as defined in Section 1) of the Company), the Company wishes to provide in this Agreement for the indemnification of and the advancing of expenses to Indemnitee to the fullest extent (whether partial or complete) permitted by law and as set forth in this Agreement, and, to the extent insurance is maintained, for the continued coverage of Indemnitee under the Company's directors' and officers' liability insurance policies;

NOW, THEREFORE, in consideration of these premises and of Indemnitee's intention to serve the Company directly or, at the Company's request (and with the Indemnitee's agreement), another enterprise, and, intending to be legally bound hereby, the parties hereto agree as follows:

1. Certain Definitions: The following terms shall have the meanings set forth below when such terms are used in this Agreement.

a. "BENEFICIAL OWNER" shall have the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner shall exclude any Person otherwise becoming a Beneficial Owner by reason of the shareholders of the Company approving a merger of the Company with another entity.

b. "CHANGE OF CONTROL" means a change in control of the Company of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act (as herein defined), whether or not the Company is in fact required to comply therewith; provided, that, without limitation, a change in control shall be deemed to have occurred if:

(i) any Person or group of Persons, other than (A) a trustee or other fiduciary holding securities under an employee benefit plan of the Company, or (B) a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 15% or more of the combined voting power,

(ii) during any period of two consecutive years (not including any period prior to the execution of this Agreement), individuals who at

the beginning of such period constitute the Board and any new director whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least 2/3 of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof,

(iii) the effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than fifty-one percent (51%) of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving entity,

(iv) the stockholders of the Company approve or authorize a plan of complete liquidation of the Company or an agreement for the sale, lease, exchange, transfer or other disposition by the Company of (in one transaction or a series of transactions) all or substantially all the Company's assets.

c. "EXCHANGE ACT" shall mean the Securities Exchange Act of 1934, as amended.

d. "EXPENSES" means all expenses, liabilities and losses (including, without limitation, attorneys' and experts' fees and expenses, costs, obligations, judgments, fines, interest, ERISA excise taxes, penalties or assessments and amounts paid in settlement) incurred or suffered by Indemnitee in connection with any Indemnifiable Event (as hereinafter defined) (including, without limitation, in connection with, investigating, defending, being a witness in or participating in (including on appeal), or preparing to defend, be a witness in or participate in, any Proceeding (as hereinafter defined) relating to any Indemnifiable Event.

e. "INDEPENDENT LEGAL COUNSEL" means an attorney or firm of attorneys, selected in accordance with the provisions of Section 10, who shall not have otherwise performed services for the Company or Indemnitee within the last five years (other than with respect to matters concerning the rights of Indemnitee under this Agreement, or of other Indemnitees under similar indemnity agreements).

f. "PERSON" shall have the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person shall exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (iii) any corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company.

g. "POTENTIAL CHANGE OF CONTROL" shall be deemed to have occurred if:

(i) the Company enters into an agreement, the consummation of which would result in the occurrence of a Change in Control;

(ii) any Person (as hereinabove defined), including the Company, publicly announces an intention to take or consider taking actions which if consummated would constitute a Change in Control;

(iii) any Person (as hereinabove defined), other than the Company, any trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company (A) is or becomes the beneficial owner, (B) discloses directly or indirectly to the Company or publicly a plan or intention to become the beneficial owner, or (C) makes a filing under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, with respect to securities to become the beneficial owner, directly or indirectly, of securities representing 9.9% or more of the combined voting power of the outstanding voting

securities of the Company; or

(iv) the Board adopts a resolution to the effect that, for purposes of this Agreement, a potential change in control of the Company has occurred.

h. "PROCEEDING" means any threatened, pending or completed (x) action, suit or proceeding, or (y) inquiry or investigation that Indemnitee in good faith believes might lead to the institution of an action, suit or proceeding, in each case, whether instituted by the Company or any other party and whether civil, criminal, administrative, investigative or other.

i. "VOTING SECURITIES" means any securities of the Company which vote generally in the election of directors.

2. Right to Indemnification. The Company shall indemnify and hold harmless Indemnitee, as soon as practicable but in any event no later than thirty days after written demand, in connection with any Proceeding to which Indemnitee is a party or witness or in which

Indemnitee is otherwise involved, by reason of the fact that Indemnitee is to become, is or was a director, officer, employee, agent or fiduciary of the Company, or is to serve or is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of another corporation or of a partnership, joint venture, trust or other enterprise, including, without limitation, service with respect to an employee benefit plan, or by reason of anything done or not done by Indemnitee in any such capacity (each such event, occurrence or circumstance in which Indemnitee is entitled to indemnification pursuant to this Agreement, an "INDEMNIFIABLE EVENT"), in each case to the fullest extent permitted by applicable law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than permitted prior thereto), against all Expenses, incurred, suffered or paid by Indemnitee in connection therewith, and such indemnification shall continue after Indemnitee has ceased to be a director, officer, employee, agent or fiduciary of the Company and shall inure to the benefit of Indemnitee's heirs, executors and administrators; provided, however, that, except as provided in Section 5 hereof with respect to Proceedings to enforce rights to indemnification, the Company shall indemnify Indemnitee in connection with a Proceeding (or part thereof) initiated by Indemnitee only if such Proceeding (or part thereof) was authorized by the Board.

3. Right to Advancement of Expenses. The right to indemnification conferred in Section 2 hereof shall include the right to be paid by the Company (within 2 business days of a request by Indemnitee) the Expenses incurred or suffered by Indemnitee in connection with defending any Proceeding for which such right to indemnification is applicable in advance of its final disposition (an "ADVANCEMENT OF EXPENSES"); provided, however, that, if, but only if, the Delaware General Corporation Law ("DGCL") so requires, an Advancement of Expenses for Indemnitee in his capacity as a director or officer (and not in any other capacity in which service was or is rendered by Indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Company of an undertaking (an "UNDERTAKING"), by or on behalf of Indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (a "FINAL ADJUDICATION") that Indemnitee is not entitled to be indemnified for such Expenses under this Agreement or otherwise.

4. Partial Indemnity, Etc. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of any Expenses incurred or suffered by Indemnitee in connection with any Proceeding but not, however, for all of the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled. Moreover, notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful on the merits or otherwise in defense of any or all Proceedings relating in whole or in part to an Indemnifiable Event or in defense of any issue or matter therein, including dismissal without prejudice, Indemnitee shall be indemnified against all Expenses incurred in connection therewith.

5. Right of Indemnitee to Bring Suit.

(a) If a claim under Section 2, 3 or 4 of this Agreement is not paid in full by the Company within thirty days after a written claim has been received by the Company, except in the case of a

claim for an Advancement of Expenses, in which case the applicable period shall be two days after a written request has been received by the Company, Indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of such claim.

(b) The Company shall indemnify and hold harmless Indemnitee from and against any and all Expenses and, if requested by Indemnitee, shall (within two business days of any such request) advance funds to Indemnitee to cover such Expenses, which are incurred by Indemnitee in connection with any action brought by Indemnitee for (i) indemnification or advance payment of Expenses by the Company under this Agreement or any other agreement or Company By-law now or hereafter in effect relating to Indemnifiable Events and/or (ii) recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advance expense payment or insurance recovery, as the case may be.

(c) (i) In any suit brought by Indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by Indemnitee to enforce a right to an Advancement of Expenses) it shall be a defense that, and (ii) in any suit brought by the Company to recover an Advancement of Expenses pursuant to the terms of an Undertaking the Company shall be entitled to recover such Expenses upon a Final Adjudication that, Indemnitee has not met any applicable standard for indemnification required to be met pursuant to the DGCL. Neither the failure of the Company (including its directors, Independent Legal Counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Company (including its directors, Independent Legal Counsel, or its stockholders) that Indemnitee has not met such applicable standard of conduct, shall create a presumption that Indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by Indemnitee, be a defense to such suit.

(d) In any suit brought by Indemnitee to enforce a right to indemnification or to an Advancement of Expenses hereunder, or by the Company to recover an Advancement of Expenses pursuant to the terms of an Undertaking, the burden of proving that Indemnitee is not entitled to be indemnified, or to such Advancement of Expenses, under this Agreement or otherwise, shall be on the Company.

6. Settlement. The Company shall have no obligation to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding effected without the Company's prior written consent. The Company shall not settle any Proceeding in any manner that would impose any fine or any obligation on Indemnitee without Indemnitee's prior written consent and no settlement of any Proceeding shall be entered into unless, if applicable, in Indemnitee's discretion, such settlement includes, as an unconditional term thereof, the delivery by the claimant or plaintiff in such Proceeding to Indemnitee of a duly executed written release of Indemnitee from all liability or obligation in respect of such Proceeding, which release shall be reasonably satisfactory in form and substance to Indemnitee and Indemnitee's counsel. The Company shall not unreasonably withhold its consent to any proposed settlement.

7. Rights Not Exclusive. The rights provided under this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may be entitled under the Company's By-Laws, the Company's Certificate of Incorporation, the DGCL, any agreement, any vote of stockholders or of disinterested directors or otherwise, both as to action in his official capacity and as to action in any other capacity, and shall continue after Indemnitee ceases to serve the Company as a director, officer, employee, agent or fiduciary (or person named as a prospective director) of the Company. To the extent that a change in the DGCL (whether by statute or judicial decision) permits greater indemnification by agreement than would be afforded currently under the Company's By-laws, the

Company's Certificate of Incorporation and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. Unless otherwise required by law, the Company shall not adopt any amendment to its By-laws or Certificate of Incorporation the effect of which would be to deny, diminish or encumber the Indemnitee's rights to indemnification pursuant to this Agreement, the Company's Certificate of Incorporation, the Company's By-laws, the DGCL or any other applicable law as applied to any act or failure to act occurring in whole or in part.

8. Severability. The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable in any respect, and the validity and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired and shall remain enforceable to the fullest extent permitted by law.

9. Choice of Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware, without giving effect to any conflict of laws provisions or principles.

10. Change of Control. The Company agrees that if there is a Change of Control of the Company, then with respect to all matters thereafter arising concerning the rights of Indemnitee to indemnity payments and Advancement of Expenses under this Agreement or any other agreement or Company By-law now or hereafter in effect relating to Indemnifiable Events, the Company shall seek legal advice only from Independent Legal Counsel selected by Indemnitee and approved by the Company (which approval shall not be unreasonably withheld). Such counsel, among other things, shall render its written opinion to the Company and Indemnitee as to whether and to what extent the Indemnitee would be permitted to be indemnified under applicable law. The Company agrees to pay the reasonable fees of the Independent Legal Counsel referred to above and to indemnify fully such counsel against any and all expenses (including attorneys' fees), claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

11. Establishment of Trust. In the event of a Potential Change in Control, the Company may create a trust for the benefit of the Indemnitee (either alone or together with one or more other indemnitees) and from time to time fund such trust in such amounts as the Board may determine to satisfy Expenses reasonably anticipated to be incurred in connection with investigating, preparing for and defending any claim relating to an Indemnifiable Event, and all judgments, fines, penalties and settlement amounts of all claims relating to an Indemnifiable

Event from time to time paid or claimed, reasonably anticipated or proposed to be paid. The terms of any trust established pursuant hereto shall provide that upon a Change in Control (i) the trust shall not be revoked or the principal thereof invaded, without the written consent of the Indemnitee, (ii) the trustee shall advance, within ten business days of a request by the Indemnitee, all Expenses to the Indemnitee, (iii) the trustee shall promptly pay to the Indemnitee all amounts for which the Indemnitee shall be entitled to indemnification pursuant to this Agreement or otherwise, and (iv) all unexpended funds in such trust shall revert to the Company upon a final determination by a court of competent jurisdiction, as the case may be, that the Indemnitee has been fully indemnified under the terms of this Agreement. The trustee shall be a person or entity satisfactory to the Indemnitee. Nothing in this Section 11 shall relieve the Company of any of its obligations under this Agreement.

12. Burden of Proof. In connection with any determination as to whether Indemnitee is entitled to be indemnified hereunder the burden of proof shall be on the Company to establish that Indemnitee is not so entitled.

13. No Presumptions. For purposes of this Agreement, the termination of any Proceeding, by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere, or its equivalent, shall not create a presumption that Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law.

14. Liability Insurance. The Company is maintaining (pursuant to a policy or policies, true and complete copies of which have been made available to Indemnitee), and shall maintain, an insurance policy or policies providing directors' and officers' liability insurance. Indemnitee shall be covered by such policy or policies, for proposing to become, serving as or having served as a director, officer, employee, agent or fiduciary (or person named as a prospective director) of the Company, or, at the request of the Company, of another corporation or of a partnership, joint venture, trust or other enterprise, to the maximum extent of the coverage available for any person in such capacity. The Company shall maintain the Company's insurance policy providing directors' and officers' liability insurance that is in place as of the date hereof for a period from the date hereof until six years after the last date on which Indemnitee ceases to be a director, officer, employee, consultant, agent or fiduciary of the Company (or person named as a prospective director) or, at the request of the Company, of another corporation, partnership, joint venture, employee benefit plan, trust or other enterprise; provided, however, that the Company may substitute therefor policies of substantially similar coverage and amounts containing material terms no less advantageous to the Indemnitee.

15. Subrogation. In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

16. Period of Limitations. No legal action shall be brought and no cause of action shall be asserted by or in the right of the Company against Indemnitee, Indemnitee's spouse, heirs,

executors or personal or legal representatives after the expiration of two years from the date of accrual of such cause of action, and any claim or cause of action of the Company shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such two-year period; provided, however, that if any shorter period of limitations is otherwise applicable to any such cause of action such shorter period shall govern.

17. Successor and Assigns; Effectiveness of Agreement. This Agreement shall be (i) binding upon all successors and assigns of the Company (including any transferee of all or substantially all of its assets and any successor by merger or otherwise by operation of law) and (ii) shall be binding on and inure to the benefit of the heirs, personal representatives and estate of Indemnitee. This Agreement shall continue in effect regardless of whether Indemnitee becomes a director, officer, employee, agent or fiduciary (or person named as a prospective director) of the Company, or continues to serve as a director, officer, employee, agent or fiduciary (or person named as a prospective director) of the Company or of any other corporation, partnership, joint venture, trust or other enterprise at the request of the Company.

18. Amendment. No amendment, modification, termination or cancellation of this Agreement shall be effective unless made in a writing signed by each of the parties hereto.

19. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (a) if delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, or (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(a) If to Indemnitee to:

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or such other address as Indemnitee shall provide to the Company.

(b) If to the Company to:

eXegenics Inc.

2110 Research Row
Dallas, Texas 75235
Attn:
---

or such other address as may have been furnished to Indemnitee by the Company.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Company and Indemnitee have executed this Agreement as of the day and year first above written.

EXEGENICS INC.

By:

Name:

Title:

INDEMNITEE

EXHIBIT 31.1

EXEGENICS INC.

CERTIFICATION PURSUANT TO
RULE 13A-14 OF THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Ronald L. Goode, certify that:

1. I have reviewed this quarterly report on Form 10-Q of eXegenics Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2003

/s/ Ronald L. Goode
- ----------
Ronald L. Goode
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

EXEGENICS INC.

CERTIFICATION PURSUANT TO
RULE 13A-14 OF THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David E. Riggs, certify that:

1. I have reviewed this quarterly report on Form 10-Q of eXegenics Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2003

/s/ David E. Riggs
- ----------
David E. Riggs
Vice President, Chief Business Officer and Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

(SUBSECTIONS (A) AND (B) OF SECTION 1350,
CHAPTER 63 OF TITLE 18, UNITED STATES CODE)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), the undersigned officer of eXegenics Inc. (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2003 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 14, 2003 /s/ Ronald L. Goode

Chairman, President and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

(SUBSECTIONS (A) AND (B) OF SECTION 1350,
CHAPTER 63 OF TITLE 18, UNITED STATES CODE)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), the undersigned officer of eXegenics Inc. (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2003 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 14, 2003 /s/ David E. Riggs

Vice President, Chief Business Officer and
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.