SIGA Announces $6.0 Million Grant To Support Its Lassa Fever Antiviral Program.

New York, September 12, 2006 - SIGA Technologies, Inc. (NASDAQ: SIGA) today announced the receipt of a $6.0 million grant from the National Institutes of Health (NIH) to support the development of antiviral drugs for Lassa fever virus (LFV), LFV is an arenavirus. SIGA has previously identified two lead series candidates and the award will support continued development of these compounds toward clinical development.

Dr. Dennis E. Hruby, Chief Scientific Officer of SIGA stated, "The preliminary data on these anti-LFV compounds looks very good so we are greatly anticipating the opportunity to advance them into preclinical development and animal efficacy trials."

Six separate arenaviruses are classified as Category A pathogens by the Centers for Disease Control and Prevention (CDC) due to the great risk that they pose to public health and national safety. Lassa fever is a prominent biodefense target, due to its current prevalence (estimated at up to a half-million cases annually, primarily in West Africa) and previous history as a focus of weaponization research.

Arenaviruses are potential biological weapons agents due to their ease of dissemination, person-to-person transmissibility, and potential to cause widespread illness and death. The availability of arenavirus antiviral drugs will address national and global security needs by acting as a significant deterrent and defense against the use of arenaviruses as weapons of bioterrorism.

SIGA scientists have also identified a lead drug candidate, ST-294, which has demonstrated significant antiviral activity in cell culture viral inhibition assays against selected arenavirus pathogens. SIGA has also demonstrated the therapeutic efficacy of ST-294 in a preliminary animal challenge study.

SIGA is currently initiating pre-clinical studies on ST-294 in order to prepare for human clinical studies with the goal of securing an antiviral drug against arenaviruses ready for therapeutic and/or prophylactic use in humans. SIGA also has earlier stage programs in development against other hemorrhagic fever viruses including Ebola and Marburg viruses.

As previously reported, SIGA also has a smallpox drug, SIGA-246, which has just successfully completed its first planned human clinical safety trial. Preliminary results indicated that SIGA-246 is safe and well-tolerated in human volunteers at all tested oral administered doses. In addition, data from blood level exposure was sufficient to support once a day dosing.

About SIGA Technologies, Inc.

SIGA Technologies is applying viral and bacterial genomics and sophisticated computational modeling in the design and development of novel products for the prevention and treatment of serious infectious diseases, with an emphasis on products for biological warfare defense. SIGA has the potential to become a significant force in the discovery of vaccine and pharmaceutical agents to fight emerging pathogens. SIGA's product development programs emphasize the increasingly serious problem of drug resistant bacteria. In addition to smallpox, SIGA has antiviral programs targeting other Category A viral pathogens, including arenaviruses (Lassa fever, Junin, Machupo, Guanarito, Sabia, and lymphocytic choriomeningitis), dengue virus, and the filoviruses (Ebola and Marburg). On June 8, 2006, SIGA and PharmAthene Inc., entered into an Agreement and Plan of Merger pursuant to which SIGA and PharmAthene Inc. have agreed to combine their businesses through a merger. For more information about SIGA, please visit SIGA's Web site at www.siga.com.

Forward-looking statements

This Press Release contains certain "forward-looking statements' 'within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, including statements regarding the efficacy of potential products, the timelines for bringing such products to market and the availability of funding sources for continued development of such products. Forward-looking statements are based on management's estimates, assumptions and projections, and are subject to uncertainties, many of which are beyond the control of SIGA. Actual results may differ materially from those anticipated in any forward-looking statement. Factors that may cause such differences include the risks that (a) potential products that appear promising to SIGA or its collaborators cannot be shown to be efficacious or safe in subsequent pre-clinical or clinical trials, (b) SIGA or its collaborators will not obtain appropriate or necessary governmental approvals to market these or other potential products, © SIGA may not be able to obtain anticipated funding for its development projects or other needed funding, (d) SIGA may not be able to secure funding from anticipated government contracts and grants, (e) SIGA may not be able to secure or enforce adequate legal protection, including patent protection, for its products and (f) its anticipated merger with PharmAthene may not be consummated. More detailed information about SIGA and risk factors that may affect the realization of forward-looking statements, including the forward-looking statements in this Press Release and the above-mentioned presentation, is set forth

in SIGA's filings with the Securities and Exchange Commission, including SIGA's Annual Report on Form 10-K for the fiscal year ended December 31, 2005, and in other documents that SIGA has filed with the Commission. SIGA urges investors and security holders to read those documents free of charge at the Commission's Web site at http://www.sec.gov. Interested parties may also obtain those documents free of charge from SIGA. Forward-looking statements speak only as to the date they are made, and except for any obligation under the U.S. federal securities laws, SIGA undertakes no obligation to publicly update any forward-looking statement as a result of new information, future events or otherwise.