VistaGen Therapeutics Provides Investor Update on Corporate Activities and Upcoming Initiatives

September 14, 2011

SOUTH SAN FRANCISCO, CA -- (MARKET WIRE) -- 09/14/11 -- VistaGen Therapeutics, Inc. (OTCBB: VSTA), a biotechnology company primarily focused on applying stem cell technology for drug rescue and cell therapy, today provides a comprehensive update on the Company's strategic plan to develop and commercialize its technology platform and lead small molecule CNS drug candidate.

Shawn K. Singh, VistaGen's Chief Executive Officer, stated, "Since inception thirteen years ago, we have obtained and carefully employed more than $41 million from various strategic collaborations, investments and grant awards. Our Company has been tremendously resourceful, advancing a cutting-edge technology discovered during the first era of stem cell research to create a portfolio of proprietary technologies with incredible therapeutic and commercial potential in multiple applications."

"We are currently focused on three large market opportunities to leverage our versatile stem technology platform and CNS drug development capabilities," he continued. "We are using our stem cell technology platform, Human Clinical Trials in a Test Tube™, for both drug rescue and cell therapy. Our CNS drug development efforts are currently focused on clinical studies of AV-101 for neuropathic pain."

Human Clinical Trials in a Test Tube ™ and CardioSafe 3D ™

VistaGen's Human Clinical Trials in a Test Tube™ platform is based on a combination of proprietary and exclusively licensed pluripotent stem cell technologies, including technologies developed over the last 20 years by Canadian scientist Dr. Gordon Keller, and Dr. Ralph Snodgrass, VistaGen's founder, President and Chief Scientific Officer. Dr. Keller is currently the Director of the University Health Network's McEwen Centre for Regenerative Medicine in Toronto. His research is focused on understanding and controlling stem cell differentiation and production of multiple types of mature, functional, human cells from pluripotent stem cells, including heart cells and liver cells that can be used in VistaGen's biological assay systems for drug rescue. Dr. Snodgrass has nearly 20 years experience in both academia and industry in the development and application of stem cell differentiation systems for drug discovery and development.

VistaGen has leveraged its Human Clinical Trials in a Test Tube™ platform to produce mature human heart cells from pluripotent stem cells. Using mature, functional human heart cells, VistaGen has developed CardioSafe 3D™, its initial three-dimensional, stem cell technology-based bioassay system. VistaGen believes CardioSafe 3D™ is capable of predicting many of the in vivo cardiac effects, both toxic and non-toxic, of small molecule drug candidates before they are tested in humans.

Drug Rescue

Drug rescue combines human pluripotent stem cell technology with modern medicinal chemistry to generate new chemical variants of once promising drug candidates that have been discontinued during preclinical development (i.e. "put on the shelf") by pharmaceutical companies due to heart or liver safety concerns despite positive efficacy data demonstrating potential therapeutic and commercial benefits. VistaGen's drug rescue model is designed to leverage both the pharmaceutical company's substantial prior investment in preclinical development of the drug candidate put on the shelf and the predictive toxicology and drug development capabilities of its Human Clinical Trials in a Test Tube™ platform. VistaGen's goal is to use CardioSafe 3D™ to generate and monetize a pipeline of small molecule drug rescue variants through drug rescue collaborations focused on heart toxicity.

VistaGen plans to expand the drug rescue capabilities of its Human Clinical Trials in a Test Tube™ platform by developing a second bioassay system, LiverSafe 3D™, using mature human liver cells produced from pluripotent stem cells to predict liver toxicity and drug metabolism.

Cell Therapy

In parallel with its drug rescue activities and in collaboration with Dr. Gordon Keller in Toronto, VistaGen is preparing to initiate pilot preclinical cell therapy programs involving the proprietary stem cell differentiation and cell production capabilities of its Human Clinical Trials in a Test Tube™ platform. The Company's cell therapy programs are scheduled to begin by year end and are currently focused on high value heart, liver and cartilage repair markets, as well as hematopoietic stem cells for autologous blood cell transplantation.

AV-101 for CNS Conditions and Diseases

VistaGen plans to begin its second Phase 1b clinical study of AV-101 for treatment of neuropathic pain before the end of 2011. The Company plans to include a model of neuropathic pain as a proxy for efficacy in this study. Neuropathic pain, a serious and chronic condition causing pain after an injury or disease of the peripheral or central nervous system, affects approximately 1.8 million people in the U.S. alone. VistaGen plans to complete Phase 1 development of AV-101 in the fourth quarter of 2012. Based upon Phase 1 clinical data to date, the Company anticipates advancing AV-101 into Phase 2 development for neuropathic pain by the end of 2012. VistaGen is also exploring additional opportunities to leverage its current Phase 1 clinical program to enable Phase 2 clinical studies of AV-101 for epilepsy and Parkinson's disease. To date, VistaGen has been awarded over $8.5 million from the U.S. National Institutes of Health (NIH) for development of AV-101.

About VistaGen Therapeutics

VistaGen is a biotechnology company primarily applying human pluripotent stem cell technology for drug rescue and cell therapy. Drug rescue involves the combination of human pluripotent stem cell technology with modern medicinal chemistry to generate new chemical variants of once promising small molecule drug candidates that pharmaceutical companies have discontinued during preclinical development (i.e. "put on the shelf") due to heart

or liver toxicity, despite positive efficacy data demonstrating their potential therapeutic and commercial benefits. VistaGen plans to use its pluripotent stem cell technology to generate early indications, or predictions, of how humans will ultimately respond to new drug candidates before they are ever tested in humans.

VistaGen anticipates that its stem cell technology platform, Human Clinical Trials in a Test Tube™, will allow it to assess the heart and liver toxicity profile of new drug candidates with greater speed and precision than animal studies and in vitro techniques and technologies currently used in the drug development process. VistaGen's drug rescue model is designed to leverage both the pharmaceutical company's substantial prior investment in preclinical development of drug candidates put on the shelf and the predictive toxicology and drug development capabilities of its Human Clinical Trials in a Test Tube™ platform. VistaGen's goal is to develop a diverse pipeline of drug rescue variants that will be as effective as once promising drug candidates discontinued due to toxicity concerns but without the toxicity that caused them to be put on the shelf.

Visit us at http://www.VistaGen.com, follow us at http://www.twitter.com/VistaGen or view our Facebook page at https://www.facebook.com/VistaGen.

Cautionary Statement Regarding Forward Looking Statements

The statements in this press release that are not historical facts may constitute forward-looking statements that are based on current expectations and are subject to risks and uncertainties that could cause actual future results to differ materially from those expressed or implied by such statements. Those risks and uncertainties include, but are not limited to, risks related to regulatory approvals and the success of VistaGen's ongoing clinical studies, including the safety and efficacy of its prodrug candidate, AV-101, the failure of future drug rescue and pilot preclinical cell therapy programs related to VistaGen's stem cell technology-based Human Clinical Trial in a Test Tube™ platform, its ability to enter into drug rescue collaborations, risks and uncertainties relating to the availability of substantial additional capital to support VistaGen's research, development and commercialization activities, and the success of its research, development, regulatory approval, marketing and distribution plans and strategies, including those plans and strategies related to AV-101 and any drug rescue variants identified and developed by VistaGen. These and other risks and uncertainties are identified and described in more detail in VistaGen's filings with the Securities and Exchange Commission (SEC). These filings are available on the SEC's website at www.sec.gov. VistaGen undertakes no obligation to publicly update or revise any forward-looking statements.

For More Information:

Shawn K. Singh, JD
Chief Executive Officer
VistaGen Therapeutics, Inc.
650-244-9990 x224

Mission Investor Relations
Atlanta, Georgia
http://www.MissionIR.com
(404) 941-8975
Investors@MissionIR.com

Source: VistaGen Therapeutics, Inc.

Released September 14, 2011