



EXCALIARD ANNOUNCES POSITIVE DATA FROM PHASE 2 CLINICAL TRIAL OF ITS ANTI-SCARRING DRUG, EXC 001

CARLSBAD, CA, August 3, 2010 – Excaliard Pharmaceuticals, Inc., today announced positive results from its Phase 2 clinical trial of EXC 001, a new chemical entity for reducing fibrosis. Results showed that EXC 001 treatment significantly reduced scar severity in subjects undergoing an elective abdominoplasty compared to placebo.

In the randomized, double-blind multicenter study conducted in the U.S., EXC 001 or placebo was administered intradermally adjacent to the surgical incision in patients who were undergoing elective abdominoplasty surgery. In this study multiple measurements of scarring were performed with analysis conducted at 12 weeks post-surgery. Data reported today showed statistically significant improvements in scarring for EXC 001 compared to placebo in both physician and patient reported outcomes (p values ranged from 0.017 to 0.002). In addition, EXC 001 was well tolerated with no clinically important adverse events. The final analysis for this study will be conducted 24 weeks after surgery and these data will be available in the second half of 2010.

“The prevention and treatment of unsatisfactory skin scarring remains an important unmet medical need,” said Lincoln Krochmal, MD, CEO & President of Excaliard Pharmaceuticals. “Unsatisfactory skin scarring can be associated with various dermatologic conditions such as hypertrophic scars and keloids, elective and reconstructive surgery, traumatic wounds and Caesarian sections. We are delighted with these results from our Phase 2 study indicating a strong efficacy signal from EXC 001 delivered locally with multiple parameters of skin scarring significantly improved by treatment with EXC 001. In addition, we are pleased that there were no clinically relevant safety findings reported in this trial. We look forward to receiving additional results from our ongoing Phase 2 program and further evaluating our novel therapeutic in future studies for conditions in which the amelioration of scarring post-operatively would be highly desirable to the patient.”

“EXC 001 is a second generation antisense medicine that may inhibit the process of fibrosis by inhibiting a growth factor. In a variety of animal models of scarring, EXC 001 has demonstrated significant and reproducible reductions in scar formation, including in skin,” said Nicholas Dean, PhD., Founder and Chief Scientific Officer. “EXC 001 is an exciting and novel approach that may prevent excessive skin scarring, and represents the first time an antisense medicine has been used for this significant, unmet medical need.”

About Excaliard Pharmaceuticals

Excaliard Pharmaceuticals, Inc., is a venture capital-funded biotechnology company founded in 2007 focused on the development and commercialization of novel and innovative drugs for the amelioration of skin scarring and other fibrotic disorders. EXC 001 was co-discovered by Isis Pharmaceuticals Inc (NASDAQ: ISIS) and Excaliard, and licensed to Excaliard Pharmaceuticals.

Contact:

Lincoln Krochmal, MD
President and Chief Executive Officer
760-431-1850
www.Excaliard.com