



news release

For Immediate Release

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The Leukemia & Lymphoma Society and Celator Pharmaceuticals Announce Partnership to Accelerate Development of CPX-351 for AML

WHITE PLAINS, NY and PRINCETON, NJ (January 22, 2009) – The Leukemia & Lymphoma Society (LLS) and Celator Pharmaceuticals, Inc. today announced a partnership to support Phase 2 development of Celator’s lead product candidate CPX-351 (Cytarabine:Daunorubicin) Liposome Injection for treatment of adults with acute myeloid leukemia (AML).

Through the partnership, LLS will provide \$3.7 million to support Celator’s Phase 2B multicenter, randomized, open-label trial of CPX-351 versus intensive salvage therapy in adult patients ≤ 60 years of age with AML in first relapse. Celator expects to start patient enrollment in this study in the first quarter of 2009 in the United States and Canada.

The partnership between Celator and LLS is part of LLS’s *Therapy Acceleration Program (TAP)*, which supports private sector and academic-based projects with the goal of advancing investigational therapies with high prospects for providing near-term benefit to patients with blood cancers.

“Celator has discovered a novel way to deliver and enhance the activity of agents that have been the standard of care in AML for decades,” said Louis DeGennaro, Ph.D., LLS’s chief scientific officer. “There have been many attempts to improve outcomes in this patient population with little success. The data collected on CPX-351 to date, and the enthusiasm of clinical investigators involved in that research, suggest that Celator’s approach holds real promise to advance the treatment of AML.”

“We are very pleased that The Leukemia & Lymphoma Society sees the potential of CPX-351 and is making this substantial investment,” said Scott Jackson, chief executive officer, Celator Pharmaceuticals. “LLS has created a well defined, streamlined process for accessing capital for promising new blood cancer treatments. This commitment

enhances our ability to further the clinical development of CPX-351 in patients with AML.”

About CPX-351

CPX-351 represents a new approach to developing combinations of drugs in which drug molar ratios with synergistic anti-tumor activity are encapsulated in a drug delivery vehicle in order to maintain the desired ratio following administration. CPX-351 has been granted orphan drug status by the U.S. Food & Drug Administration (FDA) for the treatment of AML and is currently being studied in a randomized trial comparing CPX-351 versus conventional cytarabine and daunorubicin therapy (“7+3”) in patients 60-75 years of age with untreated AML.

About Acute Myeloid Leukemia (AML)

The National Cancer Institute defines AML as a quickly progressing disease in which too many immature white blood cells (not lymphocytes) are found in the blood and bone marrow. In 2008, the American Cancer Society’s *Cancer Facts and Figures* estimates 13,290 new cases of AML and 8,820 deaths.

About The Leukemia & Lymphoma Society

The Leukemia & Lymphoma Society[®], headquartered in White Plains, NY, with 68 chapters in the United States and Canada, is the world’s largest voluntary health organization dedicated to funding blood cancer research and providing education and patient services. LLS’s mission: Cure leukemia, lymphoma, Hodgkin’s disease and myeloma, and improve the quality of life of patients and their families. Since its founding in 1949, LLS has invested more than \$600 million in research specifically targeting leukemia, lymphoma and myeloma. Last year alone, LLS made 6.3 million contacts with patients, caregivers and healthcare professionals.

For more information about blood cancer, visit www.LLS.org or call LLS’s Information Resource Center (IRC), a call center staffed by master's level social workers, nurses and health educators who provide information, support and resources to patients and their families and caregivers. IRC information specialists are available at (800) 955-4572, Monday through Friday, 9 a.m. to 6 p.m. ET.

www.lls.org.

About Celator

Celator[®] Pharmaceuticals, Inc., with locations in Princeton, NJ, and Vancouver, BC, is a privately held pharmaceutical company developing new and more effective therapies to treat cancer. CombiPlex[®], the company’s drug ratio technology platform, represents a novel approach that identifies molar ratios of drugs that will deliver a synergistic benefit, locks the desired ratio in a drug delivery vehicle that maintains the ratio in patients with the goal of improving clinical outcomes. The company pipeline includes: CPX-351 (a liposomal formulation of cytarabine:daunorubicin), currently in Phase 2 in patients with acute myeloid leukemia; CPX-1 (a liposomal formulation of irinotecan:floxuridine), currently in Phase 2 in patients with colorectal cancer; CPX-571 (a liposomal formulation of irinotecan:cisplatin), a preclinical stage compound; and multiple research programs.

Based on the applications of CombiPlex, Celator is positioned to advance a broad pipeline of combination therapies involving both previously approved and novel drug agents. For more information, please visit the company's website at www.celatorpharma.com.

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