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CELATOR® PRESENTS POSITIVE DATA FROM PHASE 2 STUDY OF CPX-351 AT THE AMERICAN SOCIETY OF CLINICAL ONCOLOGY MEETING

-- CPX-351 produced significant improvement in overall survival (OS) in elderly patients with newly-diagnosed secondary acute myeloid leukemia (sAML) compared to standard 7+3 regimen --

-- Clear signal in sAML supports Phase 3 trial of CPX-351 --

Princeton, NJ (June 6, 2011) Celator Pharmaceuticals today announced positive clinical results in elderly patients with newly-diagnosed secondary acute myeloid leukemia (sAML) treated with CPX-351 (cytarabine:daunorubicin) Liposome Injection. Data were presented as a poster discussion at the 2011 Annual Meeting of the American Society of Clinical Oncology in Chicago, Illinois. The results were based on a subgroup analysis, after 12 months of follow-up, in a randomized Phase 2b trial that compared CPX-351 to conventional cytarabine and daunorubicin (7+3 regimen), the current standard of care (ASCO Abstract #6519).

"Our observation that high-risk patients, particularly those with secondary AML, had greater improvements with CPX-351 led us to take this detailed look at the secondary AML population in this study," said Jeffrey E. Lancet, M.D., associate professor, H. Lee Moffitt Cancer Center, and the study's principal investigator. "The results suggested CPX-351 produced a higher number of remissions, lower early mortality, and more importantly a significant improvement in overall survival compared to 7+3 therapy. We believe these findings provide good rationale for a Phase 3 study of CPX-351 in patients with previously untreated secondary AML."

The randomized, open-label Phase 2b study enrolled patients between the ages of 60-75 years with newly-diagnosed AML at 18 sites in the United States and Canada. Patients were stratified as high risk (age ≥ 70 , sAML, or ≥ 3 chromosomal abnormalities) or standard risk (all other patients). A total of 51 patients were enrolled with a diagnosis of sAML, including prior blood disorders (antecedent hematological disorders), myelodysplastic syndrome (MDS), myeloproliferative disorder (MPD), chronic myelomonocytic leukemia (CMMoL), or treatment-related AML. Following randomization, 32 of these patients received CPX-351 and 19 received 7+3.

CPX-351 produced a higher rate of aplasia (81.3% vs 57.9%) and resulted in a nearly 25% absolute improvement in remission rate (56.3% vs 31.6%) compared to the 7+3 arm. Furthermore, patients with sAML treated with CPX-351 had lower early mortality (Day 60: 6.3% vs 31.6%) and an improvement in event-free survival (median 3.8 months vs 1.4 months). Even more noteworthy was the statistically significant improvement on overall survival (HR=0.41; p=0.01).

	CPX-351	7+3
	(n=32)	(n=19)

	(n=32)	(n=17)
Aplasia Rate (any induction)	81.3%	57.9%
Remission Rate (CR+CRi)	56.3%	31.6%
60 Day Mortality	6.3%	31.6%
Median Event Free Survival	3.8 months	1.4 months
Median Overall Survival	12.1 months	6.1 months

Treatment with CPX-351 was associated with well-characterized and manageable adverse events. The myelosuppressive effect of CPX-351 was greater than 7+3, with slower neutrophil and platelet recovery (~11-12 days longer), effects consistent with the pharmacokinetics of CPX-351. This prolonged myelosuppression was associated with increased infection and bleeding events but no increase in early mortality. Non-myelosuppressive adverse events were qualitatively similar between the two groups, with higher rates of nausea, rash, cough, and headache in the CPX-351 arm.

"We are very excited by the benefits seen with CPX-351 in patients with AML," said Scott Jackson, chief executive officer of Celator Pharmaceuticals. "The promising survival benefit of CPX-351 seen in secondary AML patients compared to the 7+3 regimen, in this difficult to treat population, is quite compelling. Additionally, the Company met with FDA in May and is scheduled to meet with the European Medicines Agency in June. We believe this regulatory input and randomized Phase 2 data enables us to design and initiate a Phase 3 pivotal trial and brings us closer to providing a safe and effective therapy for patients with secondary AML."

About CPX-351

CPX-351 (cytarabine:daunorubicin) Liposome Injection 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 acute myeloid leukemia (AML). CPX-351 is currently in phase 2 clinical development for the treatment of AML. Celator has completed a successful randomized, phase 2 study comparing CPX-351 to the standard "7+3" regimen of cytarabine:daunorubicin in patients 60 years of age up to and including 75 years of age with newly diagnosed AML and has completed enrollment in a randomized, phase 2 study of CPX-351 versus intensive salvage therapy in patients 18 years of age up to and including 65 years of age with AML in first relapse. The second study is supported by The Leukemia & Lymphoma Society®.

About Celator Pharmaceuticals, Inc.

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 proprietary drug ratio technology platform, represents a novel approach that identifies molar ratios of drugs that will deliver a synergistic benefit, and locks the desired ratio in a nano-scale drug delivery vehicle that maintains the ratio in patients with the goal of improving clinical outcomes. The company pipeline includes two Phase 2 products; CPX-351 (a liposomal formulation of cytarabine:daunorubicin) for the treatment of acute myeloid leukemia and CPX-1 (a liposomal formulation of irinotecan:floxuridine) for the treatment of colorectal cancer; a preclinical stage compound, CPX-571 (a liposomal formulation of irinotecan:cisplatin); and multiple research programs, including the hydrophobic docetaxel prodrug nanoparticle (HDPN) formulation being studied by the National Cancer Institute's Nanotechnology Characterization Laboratory. Based on the applications of CombiPlex and the proprietary nanoparticle prodrug delivery platform, Celator is positioned to advance a broad pipeline of cancer therapies involving both previously approved and novel drug agents. For more information, please visit the company's website at www.celatorpharma.com. Information on ongoing trials is available at www.clinicaltrials.gov.

