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Contact: Mike Beyer
Sam Brown, Inc.
(773) 463-4211
beyer@sambrown.com

CELATOR[®] PHARMACEUTICALS COMPLETES ENROLLMENT EARLY IN PHASE 2 STUDY OF CPX-351 IN NEWLY DIAGNOSED AML

--Interim Results to be Presented at the 2009 American Society of Hematology (ASH) Annual Meeting--

Princeton, NJ (October 12, 2009) – Celator Pharmaceuticals today announced that it has completed enrollment in its Phase 2 multicenter, randomized, open-label clinical trial of CPX-351 (Cytarabine:Daunorubicin) Liposome Injection versus conventional cytarabine and daunorubicin therapy (“7+3”) in patients 60-75 years of age with untreated acute myeloid leukemia (AML). The target enrollment of 120 patients was reached in less than 11 months, nearly 3 months faster than anticipated.

“We are grateful to the patients who have entered this study and to the investigators and their teams whose enthusiasm and commitment made it possible to complete enrollment ahead of schedule,” said Scott Jackson, chief executive officer of Celator Pharmaceuticals. “We look forward to presenting our first look at the data – what we hope will be additional evidence of the benefits of CPX-351 in this patient population – later this year at the American Society of Hematology.”

The Phase 2 study enrolled patients with newly diagnosed AML, 60-75 years of age, who were able to tolerate intensive chemotherapy. This randomized (2:1) study is designed to compare CPX-351 to the standard of care, commonly referred to as “7+3.” In the “7+3” regimen, cytarabine is administered as a 7 day continuous infusion and daunorubicin is administered on days 1, 2 and 3. CPX-351, containing both agents at a synergistic ratio, is infused over 90 minutes on days 1, 3 and 5. The primary endpoint of the study is complete remission rate. Secondary endpoints are duration of complete remission, event free survival, survival at 12 months, rate of stem cell transplant, 30, 60, and 90 day mortality, and safety and tolerability.

The Company plans to release interim safety and complete remission data from the first 80 evaluable patients at the 51st American Society of Hematology Annual Meeting, December 5-8, 2009, in New Orleans, Louisiana. In addition to the clinical study results, data will also be presented on the improved selectivity of CPX-351 for leukemic cells over normal bone marrow cells.

About CPX-351

CPX-351 represents a new approach to combination therapy for cancer in which synergistic molar ratios of combined drugs 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. In addition to the present trial, it is being compared to intensive salvage therapy in a Phase 2 multicenter, randomized, open-label clinical trial in adult patients (up to 60 years old) with AML in first relapse, a study supported through a partnership with The Leukemia & Lymphoma Society® (LLS).

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: 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. Information on ongoing trials is available at www.clinicaltrials.gov.

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