

CELATOR PHARMACEUTICALS ANNOUNCES POSITIVE EUROPEAN PATENT DECISION FOR COMBIPLEX(TM) TECHNOLOGY USED TO DEVELOP FIXED-RATIO COMBINATION CHEMOTHERAPIES

Celator Pharmaceuticals

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Celator Pharmaceuticals, a biotechnology company working to develop combination chemotherapies to treat different types of cancer, announced that it has received confirmation that the Examining Division of the European Patent Office intends to grant a European patent covering the company's proprietary CombiPlex(TM) technology. CombiPlex, the company's drug ratio technology platform, represents a unique approach in the development of combination chemotherapies to treat cancer. Unlike current combination chemotherapy treatments, drugs developed based on the CombiPlex platform will be designed to maintain the optimal ratios of chemotherapeutic agents to target cancer with enhanced efficacy.

Celator is developing several cancer drugs based on the CombiPlex platform. The patent decision will provide Celator with broad protection related to compositions and methods for ratiometric administration of drug combinations that act in a synergistic way to stop the growth of cancer cells. Upon formal grant, the European patent can be validated in the 23 designated European states.

Celator Pharmaceuticals, Inc. "This decision represents a major milestone for Celator, offering us broad protection for multiple potential applications of our CombiPlex technology platform. As we work to develop innovative combination chemotherapies based on this technology, this patent positions Celator to pursue a broad range of licensing and other commercial opportunities with other leaders in oncology product development," said Dr. Andrew Janoff, Celator's chairman and CEO.

Celator Pharmaceuticals also recently announced positive results from a Phase 1 study for CPX-1, a fixed-ratio formulation of irinotecan and floxuridine developed using Celator's proprietary CombiPlex technology. CPX-1 is in Phase 2 clinical development as a potential therapy for patients with colorectal cancer. Results of the CPX-1 Phase 1 study were presented in a poster presentation at the American Society for Clinical Oncology (ASCO) meeting in Atlanta in June 2006.

The company also announced that the FDA recently approved an IND application for CPX-351, the second combination chemotherapy in development based on Celator's CombiPlex technology. CPX-351 is a synergistic fixed ratio combination of cytarabine and daunorubicin in development as a potential treatment for acute myeloid leukemia. The company plans to initiate a Phase 1 study for CPX-351 in late 2006.

Celator's CombiPlex Technology Platform Many forms of cancer are currently treated with combinations of individual chemotherapy agents. In developing these drug combinations, clinicians typically combine agents that have non-overlapping toxicities and use each agent at its maximum tolerated dose. This makes it possible to combine different agents at their individual maximum tolerated doses. While this approach has represented the standard of care in oncology for many years, it may produce less than optimal treatment outcomes because it fails to recognize the critical role that drug ratios can play in combination chemotherapies.

Celator's proprietary CombiPlex technology platform has shown significant success in identifying and "locking in" the optimal drug ratios for combination chemotherapies. With this technology advantage, Celator is positioned to develop an expansive pipeline of new combination chemotherapies able to target cancer with enhanced efficacy.