

CoDa Therapeutics Secures \$10.0 Million in Additional Series A Financing
Wound Healing Drug Development Company Will Use Funds
to Achieve Clinical Development Milestones

SAN DIEGO, Feb. 21 /PRNewswire/ -- CoDa Therapeutics, Inc., today announced a second closing of its Series A financing, receiving \$10.0 million in additional venture capital commitments from existing venture investor Domain Associates and new investor GBS Partners. CoDa has now fully subscribed its \$20.0 million Series A financing round. Pursuant to this second closing, Dr. Geoff Brooke from GBS Venture Partners has joined CoDa's board of directors.

CoDa is focused on novel wound care technologies based on unique targets and mechanisms of action that have been demonstrated to dramatically improve healing in multiple tissue types following a single therapeutic application.

"We are extremely pleased to fill out the remainder of our \$20 million Series A financing commitments and to be able to add another prestigious and experienced biopharmaceutical investor like GBS Venture Partners to our team," stated Bradford J. Duft, President and Chief Executive Officer of CoDa. "This Series A funding will allow CoDa to continue to push forward with its clinical development plans and to file its first IND later this year."

"We are impressed with CoDa's technology and its well planned advancement into the clinic and are thrilled to be able to team up with Domain and CoDa's management team to help drive CoDa's technology forward," stated Dr. Geoff Brooke, of GBS Venture Partners. "This is a very exciting opportunity, for investors and patients alike, and we believe that CoDa's first clinical indication, enhancement of healing following photorefractive keratectomy (PRK), is an ideal initial ocular indication to demonstrate the ability of its lead drug candidate, Nexagon™, to increase the rate of re-epithelialization while potentially reducing inflammation and scarring."

About Nexagon™

CoDa's technology includes the company's lead drug product Nexagon™, a patented small anti-connexin oligonucleotide that has been shown in numerous models to downregulate the proteins that form gap junctions and reduce cell to cell communication post-injury. Preclinical studies have shown that a single topical application of Nexagon™ reduces lesion spread (cell death), swelling, inflammation, scarring and time to wound closure in a variety of tissue types including the eye, skin, spinal cord, and brain. The active ingredient in Nexagon™, a short-acting, natural oligonucleotide, is rapidly degraded if taken up in the bloodstream and no toxicities have been observed to date.

About CoDa Therapeutics, Inc.

CoDa Therapeutics, Inc. is a San Diego-based pharmaceutical company focused on the development and commercialization of wound care and tissue repair therapeutics based on gap junction modulation. CoDa expects to enter the clinic with an ocular IND during 2007, and a follow on IND focused on skin in early 2008. CoDaTherapeutics (NZ) Ltd., will manage initial clinical trials in New Zealand in cooperation with the Company. For more information, please contact CoDa at info@codatherapeutics.com.

About Domain Associates

Domain Associates is a leading life science venture capital firm, with offices in Princeton, NJ and San Diego, CA.

About GBS Venture Partners

GBS Venture Partners is a leading Australian life science venture capital group. The GBS team has been investing in the development and commercialisation of technology from Australia and New Zealand since 1996 and has played founding investor roles in companies with a combined market capitalisation of more than \$2 billion.