



FOR IMMEDIATE RELEASE

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**NUON THERAPEUTICS INC. COMPLETES
\$27 MILLION SERIES B FINANCING**

Proceeds Will Advance Lead Compound into Late-stage Clinical Development

San Mateo, CA, April 28, 2008 – Nuon Therapeutics Inc., a clinical stage biotechnology company focused on novel therapies for autoimmune and chronic inflammatory diseases and pain, today announced the completion of a \$27 million Series B financing led by Frazier Healthcare Ventures and Domain Associates LLC. The previous Series A investor, GBS Venture Partners of Australia, also participated. Nuon Therapeutics was represented in the transaction by Wilson, Sonsini, Goodrich & Rosati.

The Series B funding will enable Nuon Therapeutics to advance its orally active lead compound, tranilast, through Phase II clinical trials and support the discovery and development of additional compounds. In 2007, Nuon Therapeutics raised \$5 million in its Series A round.

“We are pleased to have such a well-regarded syndicate of investors backing our development activities,” said Rodney Pearlman, Ph.D., CEO of Nuon Therapeutics. “These firms have extensive experience with biotechnology companies at our stage and we look forward to utilizing their expertise and support as we move tranilast into new clinical applications.”

Tranilast is currently marketed for the treatment of asthma and atopic dermatitis in Japan and South Korea. It is an orally available, small-molecule which was shown by Nuon

Therapeutic's scientific collaborators to have a novel mode of action in autoimmune disease. They have shown that tranilast acts by reducing activated T- and B-cells in animal models of rheumatoid arthritis and multiple sclerosis. Nuon Therapeutics' strategy is to develop tranilast in new clinical indications covered by its intellectual property, as well as build a portfolio of additional drugs in autoimmune disease and pain.

“We are very excited about the possibilities presented by tranilast in autoimmune indications, and made this investment based upon the long clinical history of tranilast and its efficacy profile in models of autoimmune disease” said Alan Frazier, founder and Managing Partner of Frazier Healthcare Ventures.

About Nuon Therapeutics

Nuon Therapeutics, Inc. is a clinical stage biotechnology company that develops innovative small molecule drugs that address critical, unmet needs in autoimmune disease and pain. Nuon Therapeutics' initial programs, based on an exclusive license to technology developed by Imperial College London and Stanford University, are focused on developing tranilast to treat rheumatoid arthritis, multiple sclerosis and pain. The company's scientific founders are Prof Larry Steinman at Stanford University, Palo Alto, Prof Marc Feldmann, Imperial College, London, and Dr. Michael Selley, formerly from the Australian National University. Nuon Therapeutics, Inc. has its headquarters in San Mateo, CA and has a wholly-owned subsidiary, Nuon Therapeutics Pty. Ltd., in Australia where additional discovery and development efforts are located.

For additional information, please visit: www.nuontherapeutics.com

About Frazier Healthcare Ventures

Founded in 1991 and with more than \$1.8 billion of capital under management, Frazier Healthcare is one of the nation's leading providers of venture and growth equity capital to emerging healthcare companies. Having invested in more than 100 emerging healthcare companies, Frazier Healthcare is well known for its depth of experience and the technical expertise of its investment team. This experience encompasses product development and launch, clinical trial implementation and design, industry operating experience, academic

research and clinical practice. Partnering with Frazier Healthcare provides access to capital and an unparalleled breadth of relevant healthcare industry experience. For more information, please visit www.frazierhealthcare.com.

About Domain Associates, L.L.C.

Founded in 1985, Domain Associates, L.L.C. is a venture capital firm with an exclusive focus in healthcare. With \$2.1 billion of capital under management, Domain has offices in Princeton, NJ and San Diego, CA. The partners of Domain have been involved in the formation and growth of over 180 life-sciences companies. With a multi-stage investment approach, Domain provides seed and early stage funding to help entrepreneurs launch companies, as well as growth capital to emerging companies for furthering clinical development or for expansion of product commercialization. For more information, please visit www.domainvc.com.

About GBS Venture Partners

GBS is Australia's largest specialist life science venture capital investment group. GBS manages specialist funds from seed through to expansion stage in the life sciences sector, and has more than AU\$300 million under management. The GBS team has been investing in Australasia since 1996 and played founding roles in companies with a combined market capitalisation of more than \$1 billion. For more information, please visit www.gbsventures.com.au.

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