



NEWS RELEASE

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For Immediate Release

PEARL THERAPEUTICS RAISES \$15.5 MILLION IN PRIVATE FINANCING

Redwood City, CA, September 4, 2007 — Pearl Therapeutics, Inc., a privately-held company focused on improving the treatment and prevention of widely prevalent respiratory disorders, announced today that the company has raised \$15.5 million in its first round of venture capital funding. The financing was co-led by New Leaf Ventures and Clarus Ventures with 5AM Ventures as a major participant. In conjunction with the financing, Kathleen LaPorte, managing director, New Leaf Ventures; Nicholas Simon, managing director, Clarus Ventures; and James W. Young, Ph.D., venture partner, 5AM Ventures, will join Pearl's Board of Directors.

Pearl will deploy these funds to develop innovative products for treatment or prevention of airway diseases in patient populations whose medical needs have not been met by conventional pulmonary drug delivery systems and dosage forms. Pearl in-licensed a well-developed suite of particle technologies from Nektar Therapeutics and will leverage them to advance a pipeline of proprietary therapeutics rapidly through development. Nevan Elam, a Nektar senior vice president and head of its Pulmonary Business Unit, serves on Pearl's Board of Directors.

Pearl Therapeutics was co-founded by two former members of Nektar's corporate and product development organizations. Together they bring Pearl more than three decades of experience creating novel pulmonary products. Adrian Smith, president, has led the development and commercialization of technologies and products in the pharmaceutical, medical diagnostic and computer industries for more than 24 years. Starting in 1992 as a one of the first employees of Inhale (now Nektar), he led development of its pulmonary delivery platforms for over a decade in his role as vice president of engineering and technology. More recently until June 2006 he was vice president of corporate development, pulmonary. He led strategy and planning for Nektar's pulmonary business and championed efforts to apply its technologies to unexplored opportunities. Sarvajna Dwivedi, Ph.D., executive vice president of R&D at Pearl, was most recently director of product development at Nektar. He brings 14 years of extensive pulmonary drug development experience across multiple dosage forms to Pearl, having participated in the inception, development and commercialization of major products in his prior scientific, engineering and management roles at GlaxoWellcome, Dura Pharmaceuticals, Alkermes and Nektar.

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“We are very pleased to have received strong support from top-tier and sophisticated biopharmaceutical investors,” said Mr. Smith. “These funds will enable us to combine commercially validated particle technologies with the drug delivery, formulation, and product development know-how of the Pearl team to create differentiated products with the potential to broadly and effectively address serious respiratory conditions.”

“Pearl Therapeutics incorporates a founding management team with a strong track record of success and expertise in pulmonary drug development with well-established and scaled-up particle technology. We believe this offers the potential for improved treatment of a wider population of patients with chronic respiratory disease,” said Dr. Young, executive chairman of the Company, on behalf of the company’s investors. “Based on my experience in drug delivery and product development, I am excited to have the opportunity to work with this team and company.”

“Adrian and Sarvajna have expert backgrounds in developing pulmonary products and we’re pleased that our former colleagues will be exploring new applications with our suite of proven particle technologies,” Mr. Elam said.

About Pearl Therapeutics, Inc.

Pearl Therapeutics is focused on developing a pipeline of novel and superior products for chronic respiratory disorders, providing patients with advanced therapeutic options in familiar and well accepted dosage forms. The company has licensed advanced particle technology from Nektar Therapeutics (Nasdaq: NKTR) for developing a series of products in selected therapeutic fields. Founded in 2006, Pearl Therapeutics is privately held, with support from leading investors such as Clarus Ventures, New Leaf Ventures and 5AM Ventures.

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