Published Data Show Kereos Technology Specifically Targets Arterial Plaque

Nano-Targeted Approach Combines Diagnosis and Treatment, Allows 50,000-times Smaller Dose

St. Louis, MO – September 29, 2006 – Kereos, a biotechnology company developing highly targeted diagnostic and treatment approaches to cancer and cardiovascular disease, announced today the publication of a preclinical study showing the ability of Kereos' technology to detect and treat atherosclerotic plaque, a primary cause of heart attack and stroke. The study, conducted at Washington University School of Medicine in St. Louis, was published in a paper entitled, "Endothelial alpha-v-beta-3 Integrin-Targeted Fumagillin Nanoparticles Inhibit Angiogenesis in Atherosclerosis" (Winter, et al) in the Sept. issue of the journal *Arteriosclerosis, Thrombosis, and Vascular Biology*.

In this published study, Kereos' proprietary ligand-targeted emulsion technology was targeted to angiogenesis, the blood vessel growth that occurs during both cancerous tumor metastasis and cardiovascular plaque formation. The ligand-targeted emulsions, made up of liquid perfluorocarbon droplets, were used to both deliver drug to the plaques and image the level of angiogenesis within the blood vessel wall. Rabbits fed a high-cholesterol diet to induce numerous small arterial plaques were treated with an agent containing both a magnetic resonance imaging (MRI) agent and the anti-proliferative drug, fumagillin. A second agent, containing only the MRI agent was used to show that a single treatment reduced angiogenesis by 60 - 80%. Additionally, the plaque regions with the highest MRI signal from the combined diagnostic/therapeutic agent also demonstrated the greatest reduction in angiogenesis over the course of the study, demonstrating that the diagnostic can be utilized to predict and measure the response to treatment.

"A plaque-fighting therapeutic with a nanotechnology-based targeting component creates a truly unique way to treat cardiovascular disease," said Samuel Wickline, M.D., a co-author on the study and co-founder of Kereos. "The highly targeted nature of this technology allows us to decrease the dose and deliver more potent drugs with potentially fewer side effects. Fumagillin is a good example because it has previously produced neurocognitive side effects at high doses, yet we were able to achieve a treatment effect with a vastly smaller dose than might be required without the use of a particle carrier. This technology may unlock other compounds that have been shelved due to toxicity issues."

"This work is extremely important, as it demonstrates the possibility to extend the work we are doing with our lead candidates in cancer, into the treatment of a major cardiovascular disease," explained Robert Beardsley, Ph.D., President and CEO of Kereos. "The imaging portion of the work is a further validation of our MRI candidate to improve cancer diagnosis and assessment, KI-0001. In addition, we have begun development of the therapeutic component as KI-1003, a promising agent behind our lead candidate for cancer therapy, KI-1001."

About Kereos

Kereos develops products designed to provide more effective detection and treatment of cancer and cardiovascular disease. The first two products are expected to enter clinical trials for solid tumors shortly. The company's proprietary technology pairs diagnosis and therapy by targeting imaging agents or therapeutics specifically to the disease site. The company's targeted imaging agents allow for more accurate and sensitive imaging, and its targeted therapeutics deliver potent and precise therapy. In addition to advancing its internal pipeline, Kereos is working with leading pharmaceutical and imaging companies, including Bristol-Myers Squibb Medical Imaging on the development and commercialization of cardiovascular disease magnetic resonance imaging (MRI) agents, and Philips Medical Systems on the development of molecular imaging systems. Kereos is a privately-held company, headquartered in St. Louis at the Center for Emerging Technologies.