Orphagen Pharmaceuticals Awarded Phase 2 SBIR Funding to Investigate Novel Drug Class for CNS Disorders

San Diego, February 1, 2010-- Orphagen Pharmaceuticals announced today that it has been awarded a two-year federal grant to further characterize a novel class of small molecule drugs with potential to treat circadian rhythm sleep disorders and more serious psychiatric illnesses, such as anxiety, depression or psychosis. The grant is a Phase 2 award within the SBIR (Small Business Innovation Research) program of the National Institutes of Health (NIH). SBIR Phase 2 grant awards are awarded based on successful completion of a SBIR Phase 1 proof-of-principle study, a strong commercialization strategy, and a detailed research plan. The award will total approximately $1.2 million at the end of two years.

"This is Orphagen's first SBIR Phase 2 grant. It demonstrates once again Orphagen's leadership in the orphan nuclear receptor area and the value of its first-to-ligand strategy. Our first major program for autoimmune disease was partnered with Japan Tobacco in 2008. The NIH funding will allow us to move closer to commercialization with a second program, this time in CNS disorders," said Scott Thacher, CEO and founder of Orphagen.

ABOUT ORPHAGEN

Orphagen works with potential drug targets also known as orphan receptors, for which small molecule ligands or drug-like molecules have yet to be identified. Its goal is to identify, characterize, and position a new class of drug so that pre-clinical and clinical development can be initiated with a partner in the pharmaceutical industry. The partner, in return, has the opportunity to be first to market with a new class of therapy. Orphagen's targets come from the nuclear receptor family ligand-activated transcription factors. On a per target basis, the nuclear receptors are one of the most successful target classes known to the pharmaceutical industry.

The description of the proposed research reads in part, "Circardian regulation of behavorial, metabolic, and endocrine function is a fundamental homeostatic process. Disruption of the circadian clock has been linked to sleep and psychiatric disorders at the genetic and molecular level. We initiated a drug discovery program…[for an orphan]...receptor that appears to have a role in the circadian cycle and in affective disorders. Current therapies for sleep and psychiatric disorders are inconsistent in their effectiveness. The project offers the first opportunity to develop . . . drugs to a novel target that emerged from fundamental investigations of the circadian clock molecular mechanisms."

Orphagen Pharmaceuticals www.orphagen.com