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CeNeRx BioPharma Announces \$18.5 Million Series A Financing
Start-up earns Triangle's largest Q4 funding and 4th largest financing of 2005

RESEARCH TRIANGLE PARK, NC, November 29, 2005 -- CeNeRx BioPharma, Inc., a start up bio-pharmaceutical company focused on developing new therapeutics for disorders of the central nervous system, today announced the completion of \$18.5 million in series A financing.

CeNeRx BioPharma (CeNeRx) is dedicated to acquiring and developing early-stage compounds for applications to treat central nervous system (CNS) disease. The company focuses on identifying promising therapeutics and moving the research forward to create medicines for the future.

The series A financing positions CeNeRx to advance critical research and development with ample reserves to support its future business growth initiatives. The round was led by the Perseus-Soros BioPharmaceutical Fund, with active participation from L Capital Partners, A.M. Pappas & Associates, and Wistar Morris.

"We are delighted to be working with top-tier life science investors to acquire, develop and license medicines for treatment of diseases that relate to the nervous system," said Barry Brand, a former GlaxoSmithKline vice president and now CEO of CeNeRx.

CeNeRx's first series of compounds are RIMAs (reversible inhibitors of monoamine oxidase) designed to treat depression and anxiety. Unlike two major classes of existing antidepressants (MAOI and SNRI), RIMA compounds work on all three neurotransmitters in the body and block degradation and ultimately increase levels of the three key neurotransmitters associated with mood, anxiety and somatic disorders.

Expressing the need for new medications to help depressed patients, Dr. Charles Nemeroff, MD, PhD, Chair of Psychiatry at the Emory University School of Medicine noted, "There is increasing use of mood and anxiety agents that work on multiple neurotransmitters, but the CeNeRx RIMA series will be the first oral antidepressant to work on all three key neurotransmitters (serotonin, norepinephrine and dopamine) with selectivity and reversibility attributes – significantly reducing the risk of a hypertensive crisis present in some existing treatments."

CeNeRx is looking to develop its current portfolio of preclinical / phase I RIMA antidepressants and eventually expand its portfolio through licensing of complementary products and programs.

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Supported by a strong investor syndicate led by co-founding directors Barry Brand and Mark Baric, additional board members include Steve Elms and Tony Sun of the Perseus-Soros Biopharmaceutical Fund and Ting Pau Oei of L Capital Partners.

Steve Elms, managing director at the Perseus-Soros Biopharmaceutical Fund, said, "We invested in CeNeRx BioPharma because of their solid lead in RIMA technology which offers unprecedented efficacy and the promise of novel safety gains. Elms added, "We worked with CeNeRx to create a unique financing structure that efficiently advances clinical development utilizing a virtual model supported by an impressive network of well-established and respected clinical research organizations."

About CeNeRx BioPharma

CeNeRx is a high growth drug development company searching for new and innovative medicines to help healthcare providers and patients enhance positive mental health and conquer neurological diseases. CeNeRx develops medicines to treat diseases related to neurotransmitters and the central nervous system including anxiety, bipolar disorder, dementia, depression, epilepsy, neuropathic pain, schizophrenia, Parkinson's and Alzheimer's disease. More information about CeNeRx BioPharma can be found at www.cenerx.com.

About Perseus-Soros BioPharmaceutical Fund

Perseus, with Soros Fund Management, has co-sponsored the Perseus-Soros BioPharmaceutical Fund. The BioPharmaceutical Fund will make investments ranging in size from \$10 million to \$50 million. PSBF believes that by providing sufficient capital, capital allocation discipline and the expertise to achieve commercial success, the BioPharmaceutical Fund will enable companies to achieve strong growth and near term earnings potential, which will yield high returns on investment. For more information visit www.perseusllc.com.

About L Capital Partners

L Capital Partners helps entrepreneurs grow their new ventures into scalable and profitable businesses by providing financing and expertise to fast growing companies in the fields of healthcare, security and information technology. The team at L Capital brings together its experience as successful technology company CEO's, operating managers of large healthcare companies, corporate venture capitalists, and oversight of international financial service operations. This unique combination of business experience and domain expertise helps entrepreneurs build companies to become high value, sustainable businesses. For more information visit www.lcapitalpartners.com.

About A. M. Pappas & Associates

A. M. Pappas & Associates is a Research Triangle Park, North Carolina-based venture capital firm that invests nationally in the life science industry. Founded in 1994, Pappas has \$200 million under management and recently began investing its third venture capital fund. Among Pappas Ventures' more than 40 current and former portfolio companies are Arena Pharmaceuticals, Bayhill Therapeutics, NuVasive, Panacos Pharmaceuticals, Peninsula Pharmaceuticals, Plexxikon, and TargeGen. The firm's primary investment focus is on product-oriented biotechnology and pharmaceutical companies with a secondary focus on medical technologies. For more information visit www.ampappas.com.