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FDA Grants Cerexa Fast Track Designation for PPI-0903

ALAMEDA, Calif., March 14, 2006 – Cerexa, Inc. (www.cerexa.com) today announced that the U.S. Food and Drug Administration (FDA) has granted Fast Track designation for PPI-0903, a next-generation, broad-spectrum, cephalosporin antibiotic, for the treatment of complicated skin and skin structure infections (cSSSI) caused by methicillin-resistant *Staphylococcus aureus* (MRSA). Cerexa initiated a Phase 2 trial of PPI-0903 for the treatment of cSSSI in October 2005. Under the FDA Modernization Act of 1997, the Fast Track program of the FDA is designed to facilitate the development and expedite the review of a new drug that is intended for the treatment of a serious or a life-threatening condition, and demonstrates the potential to address unmet medical needs for such a condition.

In granting this Fast Track designation, the FDA noted that PPI-0903 has the potential to address unmet medical need due to its ability to benefit patients who are unresponsive to existing therapies or who are unable to tolerate existing therapies due to serious toxicities that are present in such therapies.

“We believe PPI-0903 has advantages over existing therapies for serious bacterial infections, including complicated skin and skin structure infections caused by MRSA, and are pleased that the FDA has granted PPI-0903 Fast Track designation,” stated Dennis Podlesak, Chief Executive Officer of Cerexa. “Given the increasing frequency and severity of resistance to existing therapies, our goal is to advance the development of PPI-0903 as rapidly as possible to benefit patients who are in need of new treatment options.”

PPI-0903 combines the advantages of an enhanced gram-positive spectrum, including bactericidal anti-MRSA activity, with broad gram-negative activity, while maintaining the favorable safety profile of cephalosporins. Cephalosporins are the most frequently prescribed class of antibiotics in the world. Unlike currently marketed cephalosporins, PPI-0903 has demonstrated bactericidal activity against the most resistant strains of Gram-positive bacteria, including MRSA. PPI-0903 has also demonstrated bactericidal activity against penicillin-resistant *Streptococcus pneumoniae* (PRSP) and common gram-negative bacteria.

“In the United States, approximately 30% of all skin and skin structure infections are caused by MRSA,” commented Dr. James Ge, Vice President, Drug Development of Cerexa. “Because it can be difficult to identify causative pathogens in the clinical setting, patients are often

administered a broad-spectrum antibiotic in combination with a narrow spectrum, anti-MRSA agent. Due to its broad spectrum of coverage, including activity against resistant gram-positive pathogens, PPI-0903 has the potential to minimize the need for combination therapy.”

Patients with serious MRSA infections often require extensive medical procedures, resulting in prolonged hospitalization. Although several new antibiotics with activity against MRSA have been approved over the last six years, development of resistance to these newer agents has already been reported. The reported resistance coupled with unwanted side effects limits the use of these antibiotics in some clinical situations; this situation magnifies the importance of developing more effective antimicrobial agents.

About Cerexa

Cerexa, Inc., located in Alameda, California, is an innovation driven, biopharmaceutical company committed to developing and commercializing a growing portfolio of novel anti-infective therapies for the treatment of serious and life-threatening infections. Cerexa’s lead compound, PPI-0903, is a next-generation cephalosporin that is currently being investigated as a potential treatment for complicated skin and skin-structure infections. Cerexa licensed from Takeda Pharmaceutical Company Limited the exclusive right to develop and commercialize PPI-0903. For additional company information, please visit www.cerexa.com.

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