

Contacts:
Acuity Pharmaceuticals
Todd Wallach
215 966-6181

Media:
GendeLLindheim BioCom Partners
Stephen Gendel
212 918-4650

**ACUITY PHARMACEUTICALS ENTERS AGREEMENT TO DEVELOP
ANTI-INFLAMMATORY siRNA FOR OPHTHALMIC USES
--Leverages Acuity's Pioneering RNAi Expertise--
--Acuity Also Announces Completion of Patient Enrollment in
Cand5 Phase II Study in Diabetic Macular Edema--**

Philadelphia, PA – April 28, 2006 – Acuity Pharmaceuticals, a clinical stage, product-focused ophthalmic pharmaceutical company, today announced it has entered into a license option agreement with ZaBeCor Pharmaceutical Co. for exclusive development and commercialization rights to ophthalmic applications of a novel agent with the potential to treat a variety of inflammatory disorders. The agent is a small interfering RNA (siRNA) that is designed to silence Syk kinase, a key gene associated with inflammation. It has shown promising activity and safety in preclinical studies for the treatment of asthma and other inflammatory conditions. ZaBeCor is developing the anti-inflammatory siRNA for pulmonary use under the trade name Excellair™.

This is the second licensing agreement Acuity has announced in the past two weeks and it gives Acuity a pipeline that now includes a total of five preclinical and clinical stage programs for ophthalmic diseases, all based on novel technology platforms. Acuity's lead compound, Cand5, which represents the first-ever clinical use of RNA interference (RNAi) technology, is currently in clinical trials to treat wet age-related macular degeneration and diabetic macular edema (DME). Separately, Acuity announced today that it has completed patient enrollment in a Phase II trial of Cand5 in DME, its second indication.

"Its broad potential in ocular inflammatory disorders makes ZaBeCor's siRNA an important addition to our pipeline," said Dale Pfof, Ph.D., president and CEO of Acuity. "We intend to apply our growing expertise in the development of novel ophthalmic therapies to advance this compound into clinical trials with the same focus and efficiency we have achieved with Cand5, as exemplified by our announcement today of the successful completion of patient enrollment in our Phase II DME study on-budget and ahead of schedule."

The new siRNA silences the Syk kinase gene, a key cell-signaling molecule that has been shown to be central in initiating critical elements of the inflammatory response in a number of disease models. Preliminary data suggest that it may have utility in inflammatory conditions of the eye, including uveitis and ocular allergies, and it also may have the potential to prevent the inflammation that contributes to vision loss in conditions such as macular degeneration.

"We are very pleased to be working with Acuity, a pioneer in RNAi therapeutics with demonstrated capabilities to advance ophthalmic siRNA compounds through the clinical development process," said Dr. Alan Schreiber, founder and scientific chairman of ZaBeCor and professor of medicine at the University of Pennsylvania. "The new technology of RNAi enables us to address the Syk kinase target, which is of central importance in the release of inflammatory mediators. This technology has the potential to achieve significant efficacy and safety advantages in a number of applications."

The license option agreement provides for Acuity to receive exclusivity in ophthalmology for ZaBeCor's portfolio of strong patents—both issued and allowed—for nucleotide drugs, including siRNA, that address the Syk kinase target. Further details of the agreement were not disclosed.

About Acuity Pharmaceuticals

Founded in 2002, Acuity Pharmaceuticals is a product-focused ophthalmic pharmaceutical company applying proprietary technologies to the treatment and prevention of ophthalmic diseases. Acuity's lead clinical compound, Cand5, a small-interfering RNA (siRNA) therapeutic targeting VEGF, is in clinical trials for two of the leading causes of adult vision loss. Acuity recently completed a Phase II trial of Cand5 in age-related macular degeneration and is currently conducting a Phase II trial for diabetic macular edema. Acuity is applying its drug development expertise to a growing pipeline of novel agents for ophthalmic conditions. In support of these programs, Acuity is also developing proprietary technologies for ocular drug delivery. For more information, see the company's website at www.acuitypharma.com.

About ZaBeCor Pharmaceutical Co.

ZaBeCor Pharmaceutical Co. is a privately held company specializing in the development and commercialization of patented drug technology focusing on inflammation. ZaBeCor's lead drug candidate is Excellair™, an anti-inflammatory siRNA that is targeted to become a daily dose inhaled medication to prevent asthma attacks in individuals with chronic asthma.