

FOR IMMEDIATE RELEASE

**YAUPON THERAPEUTICS COMPLETES PATIENT ENROLLMENT
FOR PIVOTAL PHASE 2 STUDY OF CLEARAZIDE FOR TREATMENT
OF CUTANEOUS T-CELL LYMPHOMA**

**Largest clinical study ever involving patients with cutaneous T-cell lymphoma on
schedule for completion in June 2010**

RADNOR, PA (June 29, 2009) -Yaupon Therapeutics, a privately held specialty pharmaceutical company, has announced it has completed enrollment for a pivotal Phase 2 clinical trial for Clearazide for the treatment of early-stage cutaneous T-cell lymphoma (CTCL – stages 1-2a). The study, which is being conducted under a Special Protocol Assessment (SPA) with the FDA, has enrolled 260 patients in 13 of the top cancer centers in the US. Yaupon expects the last patient to complete treatment in the study by June of 2010 and, assuming positive results, will file its NDA shortly thereafter.

The randomized, double-blind, controlled clinical study is the largest ever undertaken involving patients with cutaneous T-cell lymphoma. Over one percent (1%) of all people with CTCL in the United States have enrolled in the study. There are approximately 16,000 to 20,000 patients with CTCL in the United States and each year approximately 2,000 people are newly diagnosed with the disease. If approved by FDA, Clearazide would be the first new therapy available for the treatment of early-stage CTCL in almost a decade.

“Cutaneous T-cell lymphoma, like all cancers, is a terrible burden on families worldwide. Completion of patient enrollment in this landmark study is a major milestone in our efforts to advance Clearazide through regulatory approval and to help patients with CTCL. We look forward to completing this study and filing our NDA next year,” said Robert J. Alonso, Chief Executive Officer of Yaupon.

Cutaneous T-cell lymphoma is a cancer of the T-lymphocytes in the skin. Early-stage CTCL (stages 1-2a) is the most common presentation of the cancer and affects roughly 67% of the 20,000 patients with the disease. CTCL is a low-grade lymphoma and usually develops very slowly. It may be many years before it develops from one stage to the next and most people, with appropriate treatment, never progress beyond the early stages of the disease.

About Clearazide

Clearazide is a topical form of nitrogen mustard, an alkylating agent that works by inhibiting DNA replication. Nitrogen mustard has also demonstrated activity in other T-cell proliferating diseases such as psoriasis and alopecia areata and has a rich history of use in dermatology dating back to the 1950s. To date, topical nitrogen mustard has only been available through unapproved and pharmacy compounded products, creating significant access and payment issues for many patients. Clearazide is a proprietary, cosmetically-elegant topical formulation of nitrogen mustard that is made under strict

pharmaceutical manufacturing processes. If approved, it will be available through standard pharmacies and managed care plans.

About Yaupon

Yaupon Therapeutics is a privately held specialty pharmaceutical company that develops small molecule pharmaceuticals licensed from under-served academic laboratories. The company has three products in development, with one compound in pivotal studies, one compound in Phase 2 and additional compounds positioned to enter clinical development in the future. The company's business strategy is to build a highly capital efficient organization that leverages the NIH competitive grant system to offset research expenses and to validate its technology. The model emphasizes strong academic collaborations that lead to the licensing and development of unique products with proof of principle and millions of academic research dollars behind them. To date Yaupon has received over \$15 million in government support and over \$20 million in venture capital investment.

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