

For Immediate Release

Contact: Bill Berry, Berry & Company
212-253-8881

Celator® Pharmaceuticals Announces Positive Phase 2 Results for CPX-1 in Treatment of Colorectal Cancer

Results presented at American Society of Clinical Oncology meeting indicate CPX-1 improved clinical outcomes compared to historical data.

Princeton, NJ (June 3, 2008) –Celator Pharmaceuticals reported positive results from its CPX-1 Phase 2 clinical trial in patients with advanced colorectal cancer. CPX-1 is a liposomal formulation of irinotecan and floxuridine, based on the company's proprietary CombiPlex™ technology. The results were presented in a poster presentation at the American Society of Clinical Oncology meeting in Chicago.

The CombiPlex™ drug ratio technology platform is a new approach which identifies a ratio of drugs that will deliver a synergistic benefit, locks the desired ratio in a drug delivery vehicle and maintains the ratio in patients with the goal of improving clinical outcomes.

The multi-center, open-label, Phase 2 study had two arms, irinotecan-naïve (IRI-naïve) and irinotecan-refractory (IRI-refractory). IRI-naïve patients had ≤2 prior regimens; one adjuvant/neoadjuvant and no more than 1 regimen for advanced disease. IRI-refractory patients had disease progression within 6 months of prior irinotecan-containing treatment and started CPX-1 treatment within 12 months of disease progression following irinotecan. Patients received 210 units/m² of CPX-1 every two weeks.

Twenty-six patients were treated in the IRI-naïve arm. The overall response rate (ORR) was 8 percent and the disease control rate (patients who achieved a response or stable disease) was 65 percent. Median progression-free survival (PFS) was 3.9 months. Six patients had a >6 month PFS. These data compare favorably to results published from other studies with irinotecan or an irinotecan-based regimen in this patient population which report an approximate 4 percent response rate and median PFS of 2.5 months.

Thirty-three patients were treated in the IRI-refractory arm. The disease control rate was 45 percent; no patient achieved an objective response. The median PFS was 2.3 months. Three patients had a >6 month PFS. The disease control and median PFS are similar to results achieved in this patient population for approved agents (panitumumab or cetuximab monotherapy).

Safety data were qualitatively similar to that of irinotecan and a fluoropyrimidine with neutropenia, diarrhea, nausea, vomiting and fluid loss events (dehydration and hypokalemia) being the most common. The 210 unit/m² dose produced more toxicities than seen in the CPX-1 Phase 1 clinical trial, resulting in only 40 percent of patients receiving >80 percent of the planned dose intensity. Treatment will be initiated at a lower dose in future studies.

"The efficacy results in this study are very encouraging, particularly compared to historical data," said Arthur Louie, M.D., chief medical officer of Celator. "These data support that drug ratios may play an important role when combining drugs to treat patients. This study shows that well established drugs with proven activity may offer greater clinical benefit when a synergistic ratio is identified and the individual drugs are locked into a drug delivery vehicle able to deliver and maintain the desired ratio in patients. Our goal is to substantially improve clinical outcomes by using our proprietary CombiPlex™ technology."

About Celator

Celator Pharmaceuticals, Inc., is a privately held pharmaceutical company working to develop new and more effective therapies to treat cancer. CombiPlex™, the company's drug ratio technology platform, represents a revolutionary new approach that identifies a ratio of drugs that will deliver a synergistic benefit, locks the desired ratio in a drug delivery vehicle, and maintains the ratio in patients with the goal of improving clinical outcomes. The company pipeline includes: CPX-1 (a liposomal formulation of irinotecan:floxuridine), currently in a Phase 2 trial in patients with colorectal cancer; CPX-351 (a liposomal formulation of cytarabine:daunorubicin), currently in a Phase 1 trial in patients with leukemia; CPX 571 (a liposomal formulation of irinotecan:cisplatin), a preclinical stage compound; and multiple research programs. Based on the applications of CombiPlex, Celator is positioned to advance a broad pipeline of combination therapies involving both previously approved and novel drug agents. For more information, please visit the company's website at www.celatorpharma.com.

###