



Press Release

For Immediate Release
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The Leukemia & Lymphoma Society[®] and Shape Pharmaceuticals Partner to Advance Clinical Development of Novel, Topical Therapy for Cutaneous T-Cell Lymphoma

White Plains, NY and Cambridge, MA (July 27, 2010) - The Leukemia & Lymphoma Society (LLS) and Shape Pharmaceuticals announced today that they have entered into a partnership to advance Shape's novel topical treatment for cutaneous T-Cell lymphoma (CTCL) into clinical development. The compound, SHP-141, is a first-in-class topical histone deacetylase inhibitor with the potential to treat both early- and late-stage CTCL.

Through the partnership, LLS will provide funding of up to \$3.3 million through its Therapy Acceleration Program (TAP) to support the remaining preclinical studies needed for an Investigational New Drug Application (IND) and a first-in-man randomized Phase 1b study in CTCL patients. The clinical trial is expected to enroll patients in early 2011. HealthCare Ventures, which is financing Shape, is providing further funding in connection with the alliance, marking the first time that LLS is partnering directly with a venture firm to support the development of a therapy to benefit patients suffering from blood cancers.

Shape's product, SHP-141, was discovered by LLS-funded researcher James Bradner, M.D. of Dana-Farber Cancer Institute and Ralph Mazitschek, Ph.D of Massachusetts General Hospital and previously of Harvard University and the Broad Institute of Harvard University and MIT. Together, Drs. Bradner and Mazitschek founded Shape in 2008 with funding and management from HealthCare Ventures.

“Histone deacetylase inhibition has emerged in recent years as an important mechanism for treating CTCL. With its unique chemistry and safety profile, SHP-141 represents an exciting potential treatment option for patients suffering from CTCL. Through TAP, LLS is committed to supporting companies like Shape in the development of drugs that have strong therapeutic

impact potential for patients with blood cancer,” said Louis J. DeGennaro, LLS chief mission officer.

“We are very honored that The Leukemia & Lymphoma Society recognizes the potential of SHP-141 and is making a substantial investment with HealthCare Ventures in bringing this important new potential product to CTCL patients,” said Douglas E. Onsi, Managing Director of HealthCare Ventures and President and CEO of Shape Pharmaceuticals. “Shape is committed to supporting the mission of LLS to help patients with limited therapeutic options through the development of innovative treatments.”

About SHP-141

SHP-141 is a novel, small molecule, topical histone deacetylase inhibitor (HDACi) that is designed to result in activity directly on the skin without systemic exposure. This design has the potential to substantially reduce the systemic toxicity problems typical of current, systemically administered HDACi therapies. By limiting systemic toxicity, SHP-141 has potential for application during the protracted early stages of CTCL, in addition to combination therapy during late stage disease.

About Cutaneous T-Cell Lymphoma

Cutaneous T-Cell Lymphoma (CTCL) is a rare, life-altering, and life-threatening form of Non-Hodgkin’s lymphoma (NHL) which initially presents in the skin. CTCL is a heterogeneous group of malignant lymphomas that are more common in men, occur most often in people older than 55, and affect twice as many African-Americans as Caucasians. CTCL patients typically present with skin symptoms and lesions, including follicular papules, erythematous patches, elevated plaques, alopecia, pendulous slack skin, pustular lesions and subcutaneous nodules. Lesions of this lymphoma may remain as patches or plaques confined to the skin for many years prior to the development of cutaneous tumors or visceral disease. Patients with later stages of CTCL currently have a median survival of 5 years.

About The Leukemia & Lymphoma Society

The Leukemia & Lymphoma Society® (LLS) is the world’s largest voluntary health agency dedicated to blood cancer. The LLS mission: Cure leukemia, lymphoma, Hodgkin’s disease and myeloma, and improve the quality of life of patients and their families. LLS funds lifesaving blood cancer research around the world and provides free information and support services.

Founded in 1949 and headquartered in White Plains, NY, LLS has chapters throughout the United States and Canada. To learn more, visit www.LLS.org or contact the Information Resource Center at (800) 955-4572, Monday through Friday, 9 a.m. to 6 p.m. ET. www.lls.org.

About Shape Pharmaceuticals

Shape Pharmaceuticals is a project-focused company founded by James Bradner, M.D. and Ralph Mazitschek, Ph.D., and funded by HealthCare Ventures, to develop SHP-141, a novel, small molecule, topical histone deacetylase inhibitor.

About HealthCare Ventures

HealthCare Ventures is a leading life science venture capital firm investing in preclinical or early clinical stage, project-focused companies with the potential to transform patient care. To learn more about HealthCare Ventures, please visit www.heven.com.