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**Pearl Therapeutics Closes \$18 Million Financing
Round Led By Committed Investors**

Redwood City, CA, July 2, 2008 – Pearl Therapeutics, Inc., a biopharmaceutical company developing products for major respiratory diseases, today announced that it has completed the closing of an \$18 million round of financing. This financing was executed as an extension to its first venture financing, which closed in May 2007. Participating in the internal round were Pearl's existing investors Clarus Ventures, New Leaf Ventures, 5AM Ventures and Nektar Therapeutics. In total, Pearl has raised \$36.4 million of venture and other funding.

"We have worked hard over the past year to establish the company, build the team, and advance our product pipeline. This follow-on financing signifies the confidence and enthusiasm of our investors, and we are delighted with their continued support. This additional capital will allow us to broaden and progress development efforts on our products and delivery platform," said Adrian Smith, President, and co-founder of Pearl.

"Pearl has been successful at attracting some of the top respiratory product development talent in the world, and has delivered on its commitments. We fully support the team in moving ahead with its product and platform plan," said Jim Young, PhD, Chairman of the Board of Directors of Pearl, and Venture Partner at 5AM Ventures.

About Pearl Therapeutics, Inc. (www.pearltherapeutics.com)

Pearl Therapeutics is developing a pipeline of advanced respiratory products that will offer patients and their healthcare providers a choice of formulations and dosage strengths better suited to their needs. Pearl's products will afford multiple health benefits compared to current treatment options and will be available in familiar and widely used dosage forms to enhance compliance. The company has licensed advanced particle technology from Nektar Therapeutics and is developing it further for application in selected fields.

Founded in 2006, Pearl Therapeutics is privately held and backed by Clarus Ventures, New Leaf Ventures, 5AM Ventures, and Nektar Therapeutics.