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Press Release

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GALLEON PHARMACEUTICALS IS NAMED SR ONE BIOTECH COMPANY OF THE YEAR FOR INNOVATIVE APPROACH IN DEVELOPING SLEEP APNEA MEDICINES

18 million sleep apnea sufferers in US are at increased risk for death, heart attack, stroke and high blood pressure and could be aided by novel therapeutic

PHILADELPHIA, PA – MAY 1, 2006: Galleon Pharmaceuticals, an early-stage company focused on developing a revolutionary class of medicine for sleep apnea and other breathing control diseases, was awarded the SR One Biotech Company of the Year at the 8th Annual Angel Venture Fair. Galleon is pioneering the development of a new therapeutic area that may benefit millions with sleep apnea. Recent discoveries into how the brain controls breathing are enabling this new class of medicines for use in common conditions such as sleep apnea, heart failure, stroke, and chronic obstructive pulmonary disease (COPD).

“We are gratified that experts from the region have provided this vote of confidence for our plans to develop a new therapeutic class for patients that have sleep apnea and other breathing control problems,” said Dr. Jim Mannion, Galleon’s founder and CEO. “There are currently no specific medicines available for these patients who must resort to using a cumbersome mask and air compressor machines, surgery or dental appliances to restore normal breathing control.”

The SR One, Ltd.’s ‘Biotech Company of the Year Award’ is sponsored by the venture capital arm of GlaxoSmithKline and is awarded to a startup life sciences company with a talented management team, innovative technology and a clear path to commercialization. Selection is made by a team of local industry experts under the direction of the Ben Franklin Technology Partners of Southeastern Pennsylvania Emerging Business Awards program.

Galleon also received the Capital Lifecycle Award from the Private Investors Forum and Greater Philadelphia Venture Group at the same event. The Capital Lifecycle Award is made to the company that shows the most promise to move to the next stage in the funding lifecycle. Galleon is currently raising funds which will be used to initiate a series of clinical trials scheduled to begin later this year. Galleon has received seed funding from BioAdvance, the Biotechnology Greenhouse of Southeastern Pennsylvania.

About Galleon

Founded in 2005, Galleon is the world's first pharmaceutical company primarily focused on developing novel medicines for sleep apnea and other breathing control conditions. The Company has an exclusive license to a family of drugs that regulate breathing through a breakthrough discovery that explains how the body transmits information about low oxygen levels from the blood to the brain. This discovery has enabled new medicines that can be used to help restore normal breathing in patients for whom there are virtually no other pharmaceutical options. More than 100 million patients in the top 3 major pharmaceutical markets will be candidates to benefit from Galleon's medicines. More information is available at www.galleonpharma.com.

About Sleep Apnea

Sleep apnea is reported to occur in up to 18 million patients in the United States alone. In an average case breathing may stop for 15 seconds up to 30-40 times per hour. Patients awake many times during the night gasping for breath and are excessively tired during the day. Current treatment is a mask connected to an air compressor which is worn during sleep. Sleep apnea patients have a significantly higher risk of death, heart attack, stroke high blood pressure and diabetes. Medicines useful for sleep apnea may also have benefit in patients with other breathing control problems associated with heart failure, stroke, mechanical ventilation, chronic obstructive pulmonary disease (COPD), obesity and premature birth.

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