

PRESS RELEASE

For immediate release

ZOSANO PHARMA, INC. ANNOUNCES APPOINTMENT OF GAIL SCHULZE AS CHAIR AND CEO

New Senior Management Appointments Strengthen Executive Team

Fremont, CA – September 8, 2008 – Zosano Pharma, Inc., a privately held pharmaceutical company developing a novel transdermal delivery technology, today announced that Gail Schulze has joined the company as chair and CEO. The company also announced several recent appointments to the Zosano leadership team, including Don Brown, chief operating officer and president; John M. Vuko, executive vice president and chief financial officer; Beth Anne Piper M.D., vice president, clinical development; and Stephen Worsley, vice president, business development.

In her new role of chair and CEO, Ms. Schulze will spearhead Zosano's strategic and operational initiatives to advance the company's novel therapeutic programs, including its lead product Zosano PTH Patch, a proprietary transdermal patch formulation of parathyroid hormone (PTH) for the treatment of established osteoporosis.

"Gail brings a tremendous track record of executive leadership to Zosano, and her depth of experience will be a key asset as the company advances its product pipeline and pursues strategic partnerships to leverage the potential of Zosano's innovative transdermal delivery technology," said Jim Barrett, PhD, formerly chairman of Zosano's board of directors and a general partner at New Enterprise Associates, Inc. (NEA).

In addition to her role at Zosano, Ms. Schulze has held numerous board positions and is currently a director of Cerus Corporation (NASDAQ: CERS). She was previously CEO of YM Biosciences US and president, YM Biosciences, Inc. Prior to joining YM Biosciences, she was president, CEO and director of Eximias Pharmaceutical Corporation. She formerly served as COO and deputy CEO of Aventis Behring LLC, a fully independent biologics subsidiary of Aventis, having both global operations and research and development responsibility. Earlier in her career, she held multiple executive positions at Allegiance Healthcare Corporation and Baxter Healthcare Corporation. Ms. Schulze is widely recognized for her ability to build both organizational strength and sustainable market positions in a variety of therapeutic arenas.

"I am thrilled to join Zosano at this exciting juncture in the company's growth," said Ms. Schulze. "The sheer volume of potential therapeutic programs utilizing Zosano's novel transdermal delivery technology represents a wealth of product development and lifecycle management opportunities, both from a proprietary pipeline and a partnership perspective. I look forward to working with our expanding team of highly talented scientists, physicians and business professionals to realize the commercial benefits of this promising technology."

Joining Peter Daddona, PhD, chief scientific officer; Greg Yedinak, vice president, manufacturing, and Kim Gaumer, vice president, regulatory affairs and quality assurance, are the following new members of Zosano's senior management team:

Don Brown, chief operating officer and president, brings more than 30 years of pharmaceutical experience to Zosano. Most recently, he served as senior executive vice president at Aventis Behring where he was a member of the Aventis SA Management Forum. Mr. Brown also held various senior leadership positions at U.S. Bioscience, and was a founder of Calvert Preclinical and Pharmaceutical Support services.

John M. Vuko, executive vice president and chief financial officer, has extensive experience leading financial and administrative functions within healthcare organizations. Prior to joining Zosano, Mr. Vuko was chief financial officer at Genitope Corporation, a public company, which raised more than \$200 million in the public markets. Before Genitope, Mr. Vuko was executive vice president and chief financial officer at Incyte Corporation, also a public company, which raised over \$600 million during his tenure.

Beth Anne Piper, M.D., vice president, clinical development brings 19 years of clinical industry experience to Zosano. An endocrinologist by training, her most recent experience was as senior director of medical affairs and clinical development at FibroGen where she drove the global development programs for their anemia portfolio. Ms. Piper also held positions at Pfizer and Bristol-Myers Squibb. Previously Ms. Piper worked at the Hospital for Special Surgery and New York Hospital, where she focused on metabolic bone and osteoporosis diseases.

Stephen Worsley, vice president, business development has held several senior licensing and business development positions in the biotechnology industry. Most recently, Mr. Worsley was vice president of business development at Raven biotechnology. Prior to Raven, he held senior business development positions at Abgenix and Tripos, Inc., and has successfully executed both licensing and joint venture agreements.

Zosano PTH patch is a novel transdermal patch formulation of parathyroid hormone (PTH) for the treatment of established osteoporosis. This product recently completed a Phase II program studying the Zosano transdermal patch formulation versus injectable Forteo in 165 women with severe osteoporosis in multiple sites across North and South America. Top line results from this study are expected to be available by the end of third quarter, 2008. Detailed results from the study have been submitted for presentation at an upcoming medical meeting in the fall.

About Zosano Pharma, Inc.

Zosano Pharma, Inc. is a privately held pharmaceutical company developing a novel transdermal delivery technology for a broad range of therapeutic indications. Its lead clinical program is evaluating a parathyroid hormone (hPTH 1-34) transdermal patch for the treatment of established osteoporosis. Zosano's transdermal delivery technology is capable of delivering peptides, proteins, small molecules and vaccines by permeating the skin's outer layer and allowing transport of macromolecules, thus insuring significant therapeutic effect. This proprietary transdermal delivery technology offers several key benefits, including efficacy and safety comparable to approved injectables, needle-free delivery, a self administered patch, rapid onset of action and stability at room temperature. Zosano's transdermal delivery technology has been clinically tested in over 300 patients with four different peptides and a vaccine. Zosano aims to develop products based on its transdermal delivery technology both independently and through strategic licensing and co-development arrangements. Founded in 2006 as an ALZA Corporation spin-out led by Nomura Phase4 Ventures, Zosano is funded by New Enterprise Associates, Nomura Phase4 Ventures, HBM BioVentures and ProQuest Investments. The company is headquartered in Fremont, California. For more information, please visit www.zosanopharma.com.

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