

P R E S S   R E L E A S E



**For immediate release**

**ZOSANO PHARMA, INC. ANNOUNCES POSITIVE RESULTS OF PHASE 2 TRIAL  
WITH PTH TRANSDERMAL PATCH IN OSTEOPOROSIS**

***DATA TO BE PRESENTED AT ACR SCIENTIFIC MEETING***

*Fremont, Calif. – September 11, 2008* – Zosano Pharma, Inc., a privately held pharmaceutical company developing a novel transdermal delivery technology, today announced that an abstract detailing results of its Phase 2 study of Zosano PTH Patch, a proprietary transdermal patch formulation of parathyroid hormone (PTH) for the treatment of established osteoporosis has been accepted as a late-breaking poster presentation at the 2008 American College of Rheumatology Annual Scientific Meeting. In the study to be presented, treatment with the Zosano PTH patch was significantly better than placebo in increasing BMD (bone mineral density) values measured for the lumbar spine, which was the primary endpoint. Overall, treatment with the Zosano PTH patch was very well tolerated.

The study results, titled "*Transdermal Delivery Of hPTH (1-34) (zp-ptb) is Effective in Increasing Bone Mineral Density of the Lumbar Spine and Hip in Postmenopausal Women with Osteoporosis*" will be presented on Monday, October 27<sup>th</sup>, 2008 at 9:00 AM. Dr. Nancy E. Lane, director and endowed professor, aging center, medicine and rheumatology, at the University of California at Davis Medical Center will make the presentation on behalf of the study's participating investigators.

The Phase 2 program evaluated the safety and bone mineral density changes of three doses of the Zosano PTH Patch formulation relative to placebo and injectable Forteo® in postmenopausal women. The study enrolled 165 patients between 50 and 81 years of age with severe osteoporosis and was conducted at multiple sites across North and South America.

"Zosano is pleased to present important data from our first long-term trial assessing bone mineral density improvements with the Zosano PTH Patch, and we look forward to further exploring the products' clinical advantage in our Phase 3 program" stated Gail Schulze, Zosano's chair and CEO.

### **About Osteoporosis**

Osteoporosis is a disease characterized by low bone mass and the deterioration of bone tissue, leading to bone fragility and an increased susceptibility to fractures. While any bone can be affected, fractures of the hip, spine and wrist are especially common. Osteoporosis is a major public health issue, affecting 55% of people 50 years or older in the U.S.<sup>(1)</sup> Approximately 80% of those affected are women.<sup>(2)</sup> By 2025, experts predict that osteoporosis-related fractures will be responsible for an estimated \$25.3 billion in medical costs<sup>(3)</sup>, an economic burden comparable to other major chronic diseases.

### **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 ensuring 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 400 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](http://www.zosanopharma.com).

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### **Contact:**

John Vuko, CFO

[jvuko@zosanopharma.com](mailto:jvuko@zosanopharma.com)

510-745-1297

<sup>(1)</sup> <sup>(2)</sup> <sup>(3)</sup> Source: National Osteoporosis Foundation