

Tempo Pharmaceuticals Closes \$8 Million in Series B Funding

Cambridge, MA. – January 3, 2008 - Tempo Pharmaceuticals, a biopharmaceutical company focused on novel, intelligently designed nanoparticle-based drugs, today announced that it has closed an \$8.1 million Series B financing. Proceeds from the financing will be used to accelerate the development of Tempo's preclinical pipeline of multi-compartmental, nanoparticle-based drugs that have the potential to substantially improve the efficacy and safety of existing and new therapeutics.

Existing venture investors Polaris Venture Partners of Waltham, MA, Venrock of New York, NY, and Lux Capital of New York, NY were joined by Bessemer Venture Partners of Wellesley, MA. Also participating were Alexandria Real Estate Equities and existing investor William H. Rastetter, Ph.D. (former executive chairman of Biogen Idec and a partner at Venrock). Tempo previously closed its \$12.1 million Series A round in May, 2007 and its \$2 million seed round in December of 2006.

"This new influx of capital at a significantly increased valuation, which brings the total raised within the last year to more than \$22 million, reflects the growing excitement and recognition of our unique platform as well as our rapid progress as a company," said Alan Crane, CEO of Tempo Pharmaceuticals and a venture partner at Polaris. "This funding allows the continued advancement of our preclinical pipeline towards human clinical trials and will support the generation of data to enable strategic partnerships with leading biotechnology and pharmaceutical companies."

Based on technology exclusively licensed from the Massachusetts Institute of Technology, Tempo is focused on significantly improving the efficacy and safety profile of existing and new drugs employing advances in nanotechnology. The Company utilizes its proprietary Nanocell technology to develop multi-compartmental, nanoparticle-based therapeutics in which two drugs with varied release rates are packaged within a single nanoparticle. This approach allows for sequential delivery of drugs, optimizing the location, rate of release and synergistic effect of the two therapies while minimizing toxicities.

"Bessemer views nanopharmaceuticals, and in particular, Tempo's approach to nanopharmaceuticals, as an unprecedented investment opportunity within the marketplace," said Christopher Gabrieli, Senior Partner, Bessemer Venture Partners. "We believe this science and technology has the potential to dramatically improve the way diseases are treated, and more specifically, that Tempo has the leading platform and proven management team in place to rapidly develop a portfolio of next generation therapeutics."

Using its proprietary Nanocell technology, Tempo is developing a deep pipeline of preclinical candidates. Its current focus is on application of the technology to both existing and novel drugs for oncology, autoimmune and inflammatory diseases.

About Nanocell Technology

The potential of the Nanocell technology was highlighted by preclinical data published in the July 28, 2005 edition of the journal Nature. In the study, researchers designed a Nanocell that preferentially distributed to a cancerous tumor; the Nanocell then sequentially released a vascular targeting drug, leading to the collapse of the vascular network and trapping the nanoparticle within the tumor, followed by the subsequent release of a potent anti-tumor drug.

The data published in Nature showed that by concentrating and trapping the drugs in the tumor, the Nanocell dramatically inhibited tumor growth in mice and extended survival time compared to other drugs and drug combinations. In addition, the data shows that the Nanocell provides a significant safety advantage in the animal models studied compared with positive controls. Finally, data in the Nature paper demonstrated that the unique format of the Nanocell has the potential to overcome resistance mechanisms of cancer.

About Nanopharmaceuticals and NanoBiology

Nanopharmaceuticals represent a revolutionary new approach to designing drugs and enhancing their properties with the goal of creating improved therapies for fighting disease.

Nanopharmaceuticals are a new type of drug that consist of ultra-small particles containing drugs that are designed to enhance their therapeutic utility. The unique properties of nanopharmaceuticals allow for the delivery of drugs to specific diseased tissues, the controlled release of therapeutic concentrations of drugs over a short or prolonged period of time and improved formulations of established therapies.

Within the field of nanopharmaceuticals, Tempo Pharmaceuticals is uniquely focused on an emerging field we call NanoBiology - a next generation approach in which a deep understanding of the complex biological microenvironment of human disease and disease processes combined with engineering therapies on a nanoscale allows the creation of new breakthrough drugs that are intelligently designed to address the root causes of disease.

About Tempo Pharmaceuticals

Tempo Pharmaceuticals is a private biopharmaceutical company focused on the development of novel, nanotechnology-based therapeutics in the areas of oncology, autoimmune and inflammatory diseases. The Company has assembled a world-class management team, board of directors and scientific advisory board that collectively have a significant track record of business building, product development and scientific breakthroughs from companies and institutions such as Millennium Pharmaceuticals, Pfizer, Pharmacia, the Massachusetts Institute of Technology, Harvard Medical School, MD Anderson, Fox Chase Cancer Center and the Arizona Health Center. Tempo is located in Cambridge, Massachusetts.