

Eleison Pharmaceuticals Completes Series B Private Equity Financing

Princeton, NJ, February 28, 2012 -- Eleison Pharmaceuticals LLC, a specialty pharmaceutical company developing life-saving therapeutics for rare cancers, has announced it has closed on a Series B preferred unit private equity financing. The financing was led by new investor CS Capital Partners and included participation by existing investors. In conjunction with the financing, Frank Seidman of CS Capital Partners will join the Eleison Board of Managers.

"The investment from CS Capital Partners and the other Series B investors represents a great vote of confidence in Eleison's two late-stage programs in bone cancer and pancreatic cancer," commented Mr. Edwin Thomas, CEO of Eleison Pharmaceuticals. "This new funding, together with our partnering efforts, should be sufficient to complete clinical development through NDA for both programs, particularly Glufosfamide for which we expect to begin a Phase III pivotal trial later this year."

About Glufosfamide

Glufosfamide is a third-generation alkylating agent designed for greater specificity and tumor uptake, with reduced systemic toxicities and side effects. It has been evaluated in more than 450 patients, with promising activity in several cancer types. Eleison has an agreement with the U.S. Food and Drug Administration (FDA) on a Special Protocol Assessment (SPA) for a Phase 3 international randomized trial. This pivotal trial, which is expected to commence 2H-2012, will enroll patients with relapsed or refractory pancreatic cancer following prior chemotherapy treatment. It is designed to evaluate the efficacy of Eleison drug candidate glufosfamide in a controlled study in the second-line treatment of pancreatic cancer. Eleison recently licensed Glufosfamide marketing rights in the Republic of Korea to Daewoong Pharmaceuticals Co. Ltd.

About Pancreatic Cancer

Although pancreatic cancer is among the rarer cancer types, it is the fourth leading cause of death by cancer in the United States. More than 40,000 Americans are diagnosed with pancreatic cancer annually, resulting in approximately 38,000 deaths each year. There exist few therapeutic options to treat the disease and no drugs approved for second-line use. Five year survival rates are typically less than 5%.

About Eleison Pharmaceuticals

Eleison's mission is to acquire, develop, and commercialize clinical stage drug candidates for "orphan" oncology indications, providing new hope for patients with rare life-threatening diseases. The Company has two programs in late-stage development and is in discussions to acquire other promising candidates for rare cancers. Eleison was founded in 2009 and is headquartered in Princeton, NJ.

About CS Capital Partners

CS Capital Partners, the private equity investment group within Capital Solutions, focuses on early to mid-stage private equity opportunities. Over \$50 million of mezzanine and equity capital is currently committed across four operating companies. CS focuses on quality management teams and operating companies with stable cash flow or unique risk/reward profiles. Investments are typically \$5 to \$15 million per transaction. For more information about CS Capital Partners, please contact Mr. Lane Wiggers, Principal, CS Capital Partners, lwiggers@cap-sol.com, or visit www.cap-sol.com.

Forward Looking Statements

Except for statements of historical fact, the statements in this press release are forward-looking statements, including statements regarding Eleison's product candidates, their uses and potential benefits and clinical trial results and plans. These statements involve risks and uncertainties that can cause actual results to differ materially from those in such forward-looking statements. Potential risks and uncertainties include, but are not limited to, capital sufficiency, Eleison's ability to enroll and complete its current and anticipated clinical trials, the time and expense required to conduct such clinical trials and analyze data, the possibility that results from these trials will not be confirmed, potential adverse side effects, issues arising in the regulatory or manufacturing process and the results of such clinical trials (including product safety issues and efficacy results). Eleison does not intend to update any forward-looking statement made in this news release.

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