



A.P. Pharma Initiates Phase I Clinical Trial with APF530, a Potential Treatment for Chemotherapy-Induced Nausea and Vomiting

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REDWOOD CITY, Calif.--(BUSINESS WIRE)--April 16, 2004--A.P. Pharma, Inc. (Nasdaq:APPA), a specialty pharmaceutical company, today announced the initiation of a Phase I clinical study with APF530, its product candidate containing granisetron, for the treatment of chemotherapy-induced nausea and vomiting.

The clinical study is designed to determine the safety and tolerability of APF530, and will include approximately 18 healthy volunteers at a single clinical site in the United Kingdom. The Company expects to complete this study by mid-year. A.P. Pharma is also finalizing pre-clinical work prior to filing an Investigational New Drug (IND) application in the U.S. that could allow the Company to go directly into U.S. Phase II studies in cancer patients with APF530 later in 2004.

Using the Company's proprietary Biochronomer(TM) bioerodible drug delivery system, APF530 is designed to provide three to five days of continuous relief from chemotherapy-induced nausea and vomiting following a single subcutaneous injection.

APF530 combines A.P. Pharma's Biochronomer drug delivery system with granisetron, one of a class of 5-HT3 antagonists which have revolutionized the treatment of nausea and vomiting during and after chemotherapy. The drug is currently administered by intravenous (IV) injection, followed by oral administration for a number of days. Biochronomer delivery of granisetron is a potential alternative to the IV and subsequent oral administration in the \$2 billion annual market for anti-emetics. In animal studies, APF530 incorporating the Biochronomer bioerodible drug delivery system demonstrated sustained release at constant and therapeutically equivalent blood drug levels.

AP Pharma's first Biochronomer product, APF112, is currently in Phase II clinical studies for the treatment of post-surgical pain. APF112 contains the local anesthetic agent mepivacaine and has been shown in a clinical study of 12 patients to sustain blood drug levels up to 72 hours. The product is designed to give pain relief for a sustained period following surgery in order to reduce or eliminate the need for opioid-like-products.

About A.P. Pharma

A.P. Pharma is a specialty pharmaceutical company focused on the development of ethical (prescription) pharmaceuticals utilizing its proprietary polymer-based drug delivery systems. The Company's primary focus is the development and commercialization of its bioerodible injectable and implantable systems under the trade name Biochronomer. Initial target areas of application for the Company's drug delivery technology include pain management, anti-nausea, inflammation, oncology and ophthalmology applications. The Company's product development programs are funded by royalties from topical products currently marketed by pharmaceutical partners, by proceeds from the divestitures of its cosmeceutical and analytical standards product lines and by fees it receives from collaborative partners. For further information visit the Company's Web site at www.appharma.com.

Forward-looking Statements

Except for historical information, this news release contains certain forward-looking statements that involve risks and uncertainties including, among others, uncertainty associated with timely development, approval, launch and acceptance of new products, establishment of new corporate alliances and progress in research and development programs. Other risks and uncertainties associated with the Company's business and prospects are identified in the Company's filings with the Securities and Exchange Commission. The Company does not undertake to revise these forward-looking statements to reflect events or circumstances occurring in the future.

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