



A.P. Pharma Announces Stock Option Grants

March 31, 2008

REDWOOD CITY, Calif.--(BUSINESS WIRE)--March 31, 2008--A.P. Pharma, Inc. (NASDAQ:APPA), a specialty pharmaceuticals company, announced today it has made option grants to two newly-hired non-executive employees for a total of 50,000 shares. The options have a ten year life, vest on a four year schedule, and have an exercise price of \$1.30, the closing price of the Company's common stock on the date of the grant.

The options were granted under A.P. Pharma's 2000 Non-Qualified Stock Plan, under which awards are limited to grants as an inducement to new employees to join the Company. In accordance with NASDAQ rules, these awards were made under a stock incentive plan that has not received stockholder approval, and such rules require a public announcement of equity awards made under this type of plan.

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(TM). Initial target areas of application for the Company's drug delivery technology include anti-nausea, pain management, anti-inflammation and DNA/RNAi applications. For further information visit the Company's web site at www.appharma.com.

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