

Resolvix Pharmaceuticals and Celtic Therapeutics Enter Final Agreement in Ophthalmology

-- *Celtic Therapeutics Exercises Option to Develop Resolvins for Ophthalmic Indications* --

Cambridge, MA and New York, NY, January 10, 2011 – Resolvix Pharmaceuticals (*Resolvix*) and Celtic Therapeutics Holdings L.P. (*Celtic Therapeutics*), a successor firm to Celtic Pharma, announced today that they have entered into a final agreement under which Celtic Therapeutics has acquired and licensed worldwide rights related to Resolvix's RX-10045, a late-stage program for the treatment of dry eye syndrome and other ophthalmic conditions. Terms of the deal include upfront consideration, near-term milestone payments, and funding for 100% of future development costs. Resolvix and Celtic Therapeutics will share proceeds from the future divestiture of RX-10045, including up-front payments, royalties or other revenues.

Under the terms of the agreement, Celtic Therapeutics will acquire and license rights to Resolvix's RX-10045, in all ophthalmic indications. RX-10045 is scheduled to enter a Phase III randomized, placebo-controlled, multi-center study in 2011. As part of the agreement, Celtic Therapeutics may also license rights to and develop a second Resolvix compound in a topical formulation for ophthalmic indications.

Resolvins are a recently discovered family of naturally-occurring, small molecule lipid mediators that can be targeted to treat a wide range of diseases. Resolvins are shown to be highly potent and efficacious across a broad range of pre-clinical models of asthma, atherosclerosis, rheumatoid arthritis, inflammatory bowel disease, dry eye and retinal disease, among others. Resolvix will continue to develop Resolvins for non-ophthalmic indications.

Dry eye, one of the most common problems treated by ophthalmologists, and a \$1.7 billion global market today, is a chronic, multifactorial disease involving inflammation of the tear ducts and ocular surfaces that results in symptoms of discomfort, visual disturbance, and tear film instability with potential damage to the ocular surfaces. RX-10045, a resolvins administered as a topical eye drop, produced dose-dependent, significant improvement on the primary endpoints for both the signs and symptoms of dry eye, and was generally shown to be safe and well tolerated in a large placebo-controlled Phase II study.

"We are delighted to be partnered with Celtic Therapeutics in progressing Resolvins to treat dry eye syndrome and other eye disease," said Jamie Nichols, Chief Operating Officer at Resolvix. "This innovative deal with Celtic Therapeutics will provide the necessary capital and clinical expertise to pursue our aggressive development plans for RX-10045 while allowing Resolvix to share in the future success of this exciting program" said Greg Weinhoff, Executive Chairman. "Resolvix can now dedicate its internal resources to developing the exceptional therapeutic potential of resolvins for non-ophthalmic diseases."

"We are very pleased to announce that we have concluded the acquisition of this late-stage program," commented Stephen Evans-Freke and Peter B. Corr, co-founders and Managing General Partners of Celtic Therapeutics Holdings L.P. "We look forward to a close and successful alliance with Resolvix to optimize the medical potential and financial returns from this exciting class of novel anti-inflammatory molecules in the ophthalmology field. If approved, RX-10045 should provide superior efficacy to current therapeutic options in Dry Eye. We are eager to explore the activity of resolvins in additional ophthalmic indications as well."

About Resolvins

Resolvins are a recently discovered family of naturally-occurring, small molecule lipid mediators that can be targeted to treat a wide range of diseases. In particular, resolvins act to protect healthy tissue during an inflammatory response to infection, injury or other environmental challenge, and then act to resolve inflammation and promote healing after the insult has passed. Resolvins are shown to be highly potent

and efficacious in pre-clinical models of asthma, atherosclerosis, rheumatoid arthritis, inflammatory bowel disease, dry eye and retinal disease, among others. Resolvins are potential drug candidates to treat a broad range of acute and chronic diseases caused by a failure to resolve the inflammatory response and restore immune homeostasis.

About Dry Eye Syndrome

Dry eye occurs when the eye does not produce tears properly, or when the tears are not of the correct consistency and evaporate rapidly. An estimated 9 million Americans suffer from moderate to severe dry eye and an additional 20 to 30 million Americans have milder cases of dry eye, with worldwide prevalence of the disease closely paralleling that of the US. It is accompanied by increased osmolarity of the tear film and inflammation of the ocular surface. Dry eye can make it more difficult to perform some visual activities for an extended period of time, and it can decrease tolerance for individuals exposed to dry environments.

About Resolvix Pharmaceuticals

Resolvix Pharmaceuticals is a privately-held biopharmaceutical company dedicated to the discovery, development and commercialization of resolvins, a novel class of therapies to treat inflammatory diseases and their complications. Resolvix's drug R&D programs are focused on characterizing and developing resolvins-based compounds. Resolvix currently has two programs in clinical development. RX-10045 is a topical eye drop that has completed a large Phase II trial in chronic dry eye and is partnered with Celtic Therapeutics. RX-10001 is formulated for oral delivery and has completed Phase I. With its experienced management team, world-class scientists and leading investors, Resolvix is well-positioned to capitalize on its extensive portfolio of over 80 patents and applications. The company's headquarters are in Cambridge, Massachusetts. For additional information, please visit www.resolvix.com.

About Celtic Therapeutics

Founded in 2007 by Stephen Evans-Freke and Dr. Peter B. Corr, Celtic Therapeutics is a successor firm to Celtic Pharma Management L.P., pursuing the same investment model on a larger scale. As a global private equity firm, it identifies, acquires and develops therapeutic products and related diagnostics in mid- and late-stage clinical development, in order to build one of the most valued portfolios of late-stage drug development programs in the global biopharmaceutical industry. Based in the US Virgin Islands, Celtic Therapeutics maintains acquisition, origination and drug development operations in New York City and Lausanne, Switzerland. The Celtic Therapeutics team comprises extensive experience in all aspects of management, acquisition and subsequent sale expertise, as well as world class clinical and commercial development experience in the pharmaceutical sector. For further information, please visit www.celtictherapeutics.com.

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Please contact with enquiries:

Resolvix Pharmaceuticals

Kathryn Morris

+1 (845) 635-9828

Kathryn@theyatesnetwork.com

Celtic Therapeutics

Irma Gomez-Dib

U.S. Media Relations

+1 (212) 850-5761



Irma.gomez-dib@fd.com

John Dineen
U.K. Media Relations
+44 (0)72697193
John.dineen@fd.com