

Xanthus Secures \$25 Million to Advance Development of Its Pipeline

CAMBRIDGE, Mass.--Nov. 30, 2006--Xanthus Pharmaceuticals, Inc., a privately-held oncology drug development company, today announced that it closed an equity financing, raising \$25 million through the sale of additional shares of its Series B Convertible Preferred Stock. Xanthus' existing investors were the sole participants in this round including, Oxford Bioscience Partners, HealthCare Ventures, GeneChem, GIMV, Hambrecht & Quist Capital Management, Still River Fund, Neomed, Kestrel Ventures, CDP Capital, CDIB BioScience Ventures, and Yasuda. This brings the total venture capital raised by the company to \$88 million.

"We are pleased to have the continued confidence and support of our high caliber investment team, including our international investors, in this round of funding," stated Richard T. Dean, Ph.D., Xanthus' Chief Executive Officer. "With this financing, we believe Xanthus is well-positioned for the continued development of our pipeline of five oncology products."

"We believe that the value potential of Xanthus' pipeline is illustrated by the company's two low-risk near-term programs and two earlier-stage large-market programs," stated Mark Carthy of Oxford Bioscience Partners.

"Xanthus has demonstrated the capability to build a leading oncology franchise and advance an impressive pipeline of product candidates by leveraging its management's expertise and experience," stated Christopher K. Mirabelli of HealthCare Ventures. "This team has successfully brought-in additional compounds that we believe will allow Xanthus to capture value in its niche product markets."

About Xanthus Pharmaceuticals, Inc.

Xanthus Pharmaceuticals, Inc. is developing a portfolio of novel, clinical-stage, small-molecule oncology candidates through a management team whose accomplished track record encompasses all aspects of drug development, from discovery through regulatory approval and commercialization. The Company is applying its expertise both to advance its current pipeline and expand it into indications of unmet medical need beyond oncology.

Xanthus is headquartered in Cambridge, Massachusetts with an additional facility in Montreal, Quebec. More information is available at www.xanthus.com.

This press release contains forward-looking statements concerning Xanthus that involve a number of risks and uncertainties. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, the words, "believes," "anticipates," "plans," "expects," "estimates," "intends," "should," "could," "will," "may," and similar expressions are intended to identify forward-looking statements. There are a number of important factors that could cause Xanthus' actual results to differ materially from those indicated by such forward-looking statements, including risks as to whether results

obtained in early clinical studies or in preclinical studies will be indicative of results obtained in future clinical trials or warrant additional trials; whether products based on Xanthus' technology will advance through the clinical trial process and receive approval from the United States Food and Drug Administration or equivalent foreign regulatory agencies; whether the company will have the cash resources to develop and commercialize its products; and whether the patent and patent applications owned or licensed by Xanthus will protect the Company's technology and prevent others from infringing it. Xanthus disclaims any intention or obligation to update any forward-looking statements.

--30--

CONTACT: Contacts:

MacDougall Biomedical Communications, Inc.
Kari Watson, 508-647-0209
kwatson@macbiocom.com

or

Xanthus Pharmaceuticals, Inc.
Lisa Terry, 617-252-6105
lisa.terry@xanthus.com