Elixir Pharmaceuticals Announces Exclusive Sirtuin Intellectual Property License Agreement with Boston University

License Covers Discoveries of SIRT Modulation and Applications to Treat Metabolic Diseases, Including Diabetes and Obesity, as well as Cancer

CAMBRIDGE, Mass. - July 1, 2008 - Elixir Pharmaceuticals, Inc., today announced the Company has entered an exclusive license agreement with Boston University to key intellectual property covering discoveries regarding the use of modulators of SIRT1, a member of the sirtuin class of protein deacetylase enzymes. SIRT1 is the human equivalent of Sir2, a gene identified in yeast that has been recognized to play a key role in the control of lifespan, metabolism, resistance to stress and other cellular regulatory pathways. The agreement with Boston University encompasses therapeutic applications for SIRT1 modulators in metabolic diseases, including obesity and diabetes, as well as therapeutic modulation of SIRT1 for anti-angiogenic activity to treat cancer.

“Modulation of SIRT enzymes has attracted considerable attention because of their potential to address a broad range of diseases,” stated Dr. Peter DiStefano, Elixir's Chief Scientific Officer. “Based on nearly a decade’s-worth of research, Elixir has amassed a broad intellectual property estate, which includes compounds that activate SIRT1 and compounds that inhibit SIRT1. It is an exciting time to be working in SIRT development and we are pleased to have added this intellectual property from Dr. Stephen Farmer’s lab at Boston University to our portfolio.”

Dr. DiStefano continued, "Elixir Pharmaceuticals is a leader in understanding the enzymology and pathway biology of SIRT1. This knowledge is critical for the successful development of best-in-class compounds. In addition, we have a deep knowledge base and expertise in the development of SIRT assays and disease-specific animal models. We supplement this expertise with insights and discoveries from collaborators such as Dr. Farmer at Boston University. This approach has allowed Elixir to build an unparalleled intellectual property estate which includes a broad portfolio of issued and pending patents.”

About Elixir's Sirtuin Development Program

Building upon the Company's knowledge of the regulation of aging and metabolism, Elixir Pharmaceuticals has developed a leadership position in the field of sirtuins, or SIRT, a class of seven naturally occurring human enzymes, known to affect the storage and use of energy in cells. Elixir Pharmaceuticals believes that sirtuin modulators, compounds which increase or decrease the activity or the amount of sirtuin enzymes, may have potential clinical utility in numerous, large pharmaceutical markets with unmet medical needs, such as metabolic disease, cancer and neurodegenerative diseases.

Elixir has an extensive sirtuin intellectual property estate which includes know-how and more than 20 patents (pending and issued) related to screening, assays, mechanism/pathway knowledge, and chemical composition of matter and utility claims for sirtuin modulators, including small molecule compounds. In February 2007, Elixir commenced a program with Siena Biotech S.p.A. to collaborate on the optimization, validation and evaluation of Elixir's SIRT1 inhibitors in Huntington's disease. Additional, proprietary programs at Elixir are pursuing applications of sirtuin modulators in obesity, diabetes and oncology.

About Elixir Pharmaceuticals

Elixir is a pharmaceutical company focused on the discovery, development and commercialization of novel pharmaceuticals for the treatment of metabolic diseases such as diabetes and obesity. The Company's scientific founders identified that modulation of specific genes can slow the aging process and increase longevity. Elixir is developing small molecule drugs that mimic these longevity responses, and these drugs will be used to treat a range of age-related diseases, including the major metabolic diseases.

In addition to sirtuin agonists and antagonists, the Company has two late-stage products (Metgluna(TM) and Glinsuna(TM)) for the treatment of type 2 diabetes in a final phase III trial in the U.S., with NDA filing expected in 2009. Further, the Company is developing an oral ghrelin antagonist for the treatment of metabolic disease. Elixir is also developing EX-1314, an oral drug being developed for the treatment of type 1 diabetic gastroparesis.

About Metgluna and Glinsuna

For patients with type 2 diabetes not well controlled on metformin alone, Metgluna will provide additional HbA1c reduction through comprehensive glycemic control via two complementary mechanisms of action. Metgluna is a fixed combination tablet of metformin, which helps control fasting plasma glucose by improving insulin sensitivity, and mitiglinide, a product that mimics the body's natural response to glucose by producing a rapid and brief burst of insulin when glucose levels begin to rise to provide for better control of post-meal glucose surges.

The companion product Glinsuna has been studied extensively in human clinical studies in the U.S., Europe, Australia and Asia. Clinical trial results, including more than 1,500 patients treated in phase III trials, have demonstrated an excellent safety and efficacy profile for mitiglinide as monotherapy or in combination with metformin. An ongoing phase III clinical study enrolled more than 300 patients across 60 sites in the U.S. and was designed to evaluate the efficacy and safety of Glinsuna in combination with metformin in patients whose blood sugar is not adequately controlled by metformin alone.

Elixir in-licensed North and South American rights to mitiglinide from Kissei Pharmaceuticals. Under the terms of the licensing agreement, Elixir has the right to develop and commercialize mitiglinide and any future product combinations, in the U.S., Canada and Latin America.

About Elixir's Ghrelin Development Programs

Using structure-assisted drug design, a method of creating chemical compounds based on an understanding of the configuration of the human ghrelin receptor, Elixir has internally discovered and developed a series of potent, small molecule antagonist compounds that block the ghrelin receptor. Oral administration of these compounds in animal models of diet-induced obesity and early diabetes resulted in similarly favorable metabolic effects to those seen in knockout models with respect to improved blood glucose levels, insulin resistance, HbA1c, triglycerides, total cholesterol, liver fat, body weight and white fat when compared to placebo. Elixir is completing selection of a clinical candidate and expects to file an investigational new drug (IND) application with the U.S. Food and Drug Administration (FDA) early in 2009, initiating a phase I clinical trial shortly thereafter.

In addition, the Company has submitted an IND to the FDA for EX-1314, Elixir's novel oral ghrelin agonist. EX-1314 is being developed for the treatment of chronic gastrointestinal disorders, including gastroparesis, a disorder in which the stomach takes too long to empty its contents. EX-1314 will be developed initially for gastroparesis in patients with type 1 diabetes, which is the most common systemic cause of gastroparesis. Human clinical testing is expected to begin this year.

# # #

CONTACT: Elixir Pharmaceuticals

William Heiden, 617-995-7000

or

Burns McClellan for Elixir Pharmaceuticals

Media: Justin Jackson, 212-213-0006 - jjackson@burnsmc.com

or

Investors: Juliane Snowden, 212-213-0006 - jsnowden@burnsmc.com

or Nicki Kahner, 212-213-0006 - nkahner@burnsmc.com