ZIOPHARM Secures Exclusive License to IPM

Phase I Trial Ongoing

NEW HAVEN, CT NOVEMBER 10 - ZIOPHARM, Inc. announced it has secured an exclusive worldwide license to a novel and proprietary form of isophosphoramide mustard (IPM) from DEKK-TEC, Inc. of New Orleans.

The new compound, ZIO-201, is currently in a Phase I clinical trial at the Karmanos Cancer Institute at Wayne State University in Michigan. ZIO-201 is the second product - either in the clinic or about to enter the clinic - that ZIOPHARM has licensed in the last three months, the first being two classes of novel organic arsenicals, including ZIO-101 and ZIO-102. ZIOPHARM is developing a risk-balanced portfolio of oncology therapeutics that have prior signals of efficacy coupled with a strong intellectual property position, and that present the company with multiple registration opportunities. The Company plans to pursue both accelerated and full approval pathways for each licensed family of compounds.

The Phase I clinical trial of ZIO-201 is expected to be complete for analysis by the end of the first quarter of 2005. The Company plans to initiate a Phase II study in adults with soft tissue sarcoma during the second half of 2005. The Company anticipates having at least two products in the clinic (one in Phase II and one in two Phase I trials in 2005).

"The use of ZIO-201 may represent a valuable advance for patients with soft tissue sarcomas, and may possibly extend the benefits of this class of drug with simpler administration to other cancers," said George Demetri, MD, director of the Center for Sarcoma and Bone Oncology at Dana-Farber Cancer Institute, Harvard Medical School and a member of ZIOPHARM's Medical Advisory Board. "Ifosfamide is an efficacious agent, but the toxicity and inconvenience profile of that drug is such that any improvement would likely be met with enthusiasm by clinicians who treat these patients."

ZIO-201 is a metabolite of ifosfamide, a commonly used alkylating drug. The Company believes that ZIO-201 has several advantages over ifosfamide in that it cross-links DNA differently, resulting in a different activity profile, and in some instances it has shown to be active in ifosfamide-resistant cancer cells. Data in cancer cell lines and animal models indicate ZIO-201 has better pharmacokinetics than does ifosfamide. Furthermore, preclinical studies indicate that ZIO-201 minimizes the toxic effects on the urinary tract that are associated with the ifosfamide metabolite acrolein. This advantage may simplify dosing of ZIO-201 since it would not require the co-administration of MESNA(R), an expensive uroprotective drug that is always required with ifosfamide dosing. It is also expected that the "fuzzy brain" syndrome of ifosfamide will be significantly abrogated with ZIO-201.

About ZIOPHARM, Inc.

ZIOPHARM, Inc. is a privately held company. It was founded in January 2004 to develop and commercialize a diverse, risk-sensitive portfolio of in-licensed cancer therapies. All products are focused on addressing unmet medical needs, with the potential for expedited approval and broad usage.

ZIOPHARM's first in-licensed product, ZIO-101, is a small molecule from The University of Texas M.D. Anderson Cancer Center and Texas A&M University and is planned for Phase I study initiating late in 1Q-2005.

ZIOPHARM is actively evaluating and negotiating for additional product candidates with the objective of a balanced portfolio of at least three clinical-stage compounds and at least one late preclinical candidate by the end of 2005. Each product candidate undergoes a tightly managed evaluation process leveraging the company's management team's combined 100+ years of oncology experience in clinical development, regulatory strategy, business development and product commercialization.

Both ZIOPHARM's structure and mission set it apart from other cancer drug companies. The Company's rigorously disciplined approach to screening product candidates is designed to accelerate clinical programs while reducing the expense and risk typically incurred in researching, developing and launching new cancer products. With an intimate understanding of the regulatory approval process, the Company expects to break new ground with regard to speed and efficiency as it brings new cancer compounds to market.

For more information, please visit www.ziopharm.com