ZIOPHARM Receives ZIO-101 Notice of Patent Allowance Novel Class of Organic Arsenicals Targeted to Enter Clinic in 2005

NEW HAVEN, CT. OCT. 26 - ZIOPHARM, Inc. announced it received a Notice of Allowance from the US Patent and Trademark Office for US Patent Application No. 10/337969 titled "S-dimethylarsino-thiosuccinic acid S-dimethylarsino-2-thiobenzoic acid S-(simethylarsino) glutathione as treatments for cancer."

The patent application claims both therapeutic uses and pharmaceutical compositions containing a novel class of organic arsenicals for the treatment of cancer, including the company's lead compound, ZIO-101.

ZIOPHARM is developing a risk-balanced portfolio of oncology therapeutics that have an indication of efficacy coupled with a strong intellectual property position, and that present the company with multiple registration opportunities. The company expects to pursue both accelerated and full approval pathways for each licensed family of compounds. ZIO-101 is expected to be the company's first product in the clinic. Another licensed opportunity is expected to be clinically developed in 2005.

"We are pleased to have formal Notice of Allowance for this patent application," commented Jonathan J. Lewis, MD, PhD, chief executive officer of ZIOPHARM, "This marks the beginning of a comprehensive intellectual property portfolio for the company around this important cancer treatment opportunity."

As stated in an earlier news release, laboratory data suggests ZIO-101 kills cancer cells more effectively than inorganic arsenic through the use of a different mechanism. The company has targeted an early Q2 2005 starting date for two Phase I studies, one in hematological cancer and another for solid tumors.

Dr. Lewis will be discussing the arsenic program and the company's overall strategy at the Rodham & Renshaw Techvest 6th Annual Healthcare Conference at New York City's Waldorf Astoria today.

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 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. It is anticipated that each product candidate will undergo 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

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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 as regards to speed and efficiency as it brings new cancer compounds to market.

For more information, please visit www.ziopharm.com