

For Immediate Release

Contact: Cytokine PharmaSciences, Inc.
Dennis F. Willson
President & CEO
(610) 687-1776 ext. 211

Media:
Mike Beyer
Sam Brown, Inc.
(773) 463-4211
beyer@sambrown.com

**CYTOKINE PHARMASCIENCES INITIATES PHASE I STUDY
OF ORAL ANTI-INFLAMMATORY AGENT, CPSI-2364**

KING OF PRUSSIA, PA, July 20, 2009 - Cytokine PharmaSciences, Inc. today announced the initiation of a Phase I study of CPSI-2364, its orally active, small-molecule inhibitor of the production of TNF-alpha and other pro-inflammatory cytokines. Results of the dose escalation and safety study in healthy volunteers are expected before the end of the year.

“Based on extensive work with the predecessor compound, we believe CPSI-2364 has the potential to revolutionize the treatment of TNF-mediated diseases, such as Crohn’s, rheumatoid arthritis and psoriasis. We are excited to be advancing it into the clinic,” said Dennis F. Willson, president and CEO of Cytokine PharmaSciences. “As a small molecule, CPSI-2364 is less expensive to produce than biologics and can be given orally. Moreover, because it is not a protein, CPSI-2364 is not expected to generate antibodies that could neutralize its activity and result in loss of efficacy over time.”

CPSI-2364 is a chemically-modified form of the synthetic guanylhydrozone, semapimod. Semapimod has been shown to inhibit the signal transduction pathways that lead to the production of nitric oxide and important pro-inflammatory cytokines, including TNF-alpha, IL-1, IL-6, and IL-8. Semapimod has demonstrated activity in multiple animal models of inflammation and autoimmune disease, proof-of-concept studies that led to human clinical trials. An intravenous formulation of semapimod was shown to have significant anti-inflammatory activity in Phase II clinical trials in Crohn’s disease, psoriasis and ERCP-induced pancreatitis. However, that formulation caused dose-limiting local reactions, such as phlebitis. To overcome this problem, the Company developed CPSI-2364, a more soluble salt of semapimod that makes oral dosing possible. Animal models have confirmed the oral activity of CPSI-2364.

About Cytokine PharmaSciences

Cytokine PharmaSciences, Inc. is a specialty pharmaceutical company engaged in developing anti-inflammatory and autoimmune therapeutics. The Company is headquartered in King of Prussia (near Philadelphia), Pennsylvania. A wholly owned

subsidiary, Controlled Therapeutics (Scotland) Limited (CT), is located in East Kilbride (near Glasgow). CT develops and manufactures controlled-release drug delivery products and has a strong focus in the area of women's health, including manufacturing the successful cervical ripening product, the Cervidil® vaginal insert (Propess® in Europe and elsewhere). Cytokine PharmaSciences has three products in clinical development and employs 70 people at its locations in the U.S. and Scotland. For more information, please visit the company's websites at www.cytokinepharmasciences.com and www.ctscotland.com.

###