



## **LIGHT SCIENCES ONCOLOGY PURCHASES THE ASSETS OF ITS FORMER PARENT COMPANY LIGHT SCIENCES LLC IN EQUITY TRANSACTION**

Seattle, WA (January 4, 2007) – Light Sciences Oncology (LSO) today announced a major initiative to strengthen its intellectual property position and extend the range of its Light Infusion Technology (Litx). On December 29, 2006, LSO purchased the assets of its former parent company, Light Sciences, LLC (LSLLC) through the issuance of common stock. As a result of the purchase, LSO now owns all patents and substantially all of the other assets of LSLLC and its subsidiaries: Visient Therapeutics, Inc.; Vascular Reconditioning, Inc.; Light Devices, Inc.; Light Sciences Adipose, Inc.; and Light Sciences R&D, LLC.

According to LSO’s CEO Llew Keltner, M.D., Ph.D. “The acquired assets will allow us unencumbered access to the key technologies for our current and future products—along with a strong foundation for expansion globally and therapeutically. Our expanded intellectual property portfolio is especially important strategically as a commercial advantage.”

LSO now owns a number of patents and patent applications formerly licensed from LSLLC covering LEDs and the use of LEDs to activate a photo-sensitive compound therapeutically, as well as other uses and aspects of its products, such as manufacturing methods. The transaction will eliminate LSO’s requirement to pay licensing fees to LSLLC.

With all Litx™ intellectual property now in hand, LSO is armed with strong non-oncology assets which it intends to separately fund or spin out.

Working solely in the field of oncology to date, LSO has built a strong development organization with a small, efficient team overseeing engineering, clinical trials, manufacturing, and regulatory/legal affairs. The company has designed a low-cost, single-use disposable light-delivery unit that is intended to provide easy use for physicians and tolerable, effective, and repeatable treatments for patients. LSO is currently conducting late-stage clinical trials in metastatic colorectal cancer (MCRC) and hepatocellular carcinoma (HCC), and has initiated a Phase II clinical study in glioma.

### **PROPRIETARY TECHNOLOGY**

Litx™ uses light-emitting diodes (LEDs) to activate the proprietary photoreactive drug LS11 (talaporfin sodium). Light-activated LS11 causes the production of singlet oxygen molecules that kill diseased cells with minimum side effects through “programmed cell death,” or apoptosis, and vascular closure. It avoids the serious toxicities associated with conventional cancer treatments.

Although designed to work seamlessly with standard regimens, Litx™ attacks tumors in unique ways. It kills tumors from the inside-out, rather than outside-in, the method used in many standard treatments. Litx™ kills all tumor cells in a prescribed “kill zone” around the LED bar, rather than only the tiny minority of cells undergoing rapid division. Inducing cell apoptosis rather than necrosis, Litx™ does not promote tumor re-growth, inflammation, and resistance to treatment. Multiple light sources and multiple treatments are feasible and can be tailored based on the size, shape and location of the target tumor.

LSO’s light-delivery unit drives a tiny bar of LEDs at the end of a very narrow, flexible connecting tube. After injecting LS11 intravenously, administering physicians insert the bar into a tumor with a biopsy-like procedure requiring only a local anesthetic. Emitting red light at a discrete frequency, intensity, and time period, the unit activates LS11 in the “kill zone.” Unlike laser-based light-activated therapies, Litx does not require expensive equipment.

#### LSO MARKETS AND CLINICAL STRATEGY

Despite decades of research targeting solid tumors, those cancers continue to confound the best efforts at treatment. The worldwide incidence of colorectal cancer is approximately one million cases per year. The National Cancer Institute reports that approximately 50% of patients diagnosed with colorectal cancer will suffer from advanced disease that has metastasized to other parts of the body, most commonly to the liver. HCC is even more challenging. This primary liver tumor kills over 1 million people worldwide per year. Current cancer treatments—surgery, radiation therapy, chemotherapy, and other local ablative therapies—have significant shortcomings, such as high toxicity, limited efficacy, tumor re-growth and resistance, high set-up and usage costs, complicated administration, and poor patient quality-of-life. Litx™ seeks to address all of those disadvantages.

Preclinical, Phase I, and Phase II data support the safety profile of Litx™. As a result, the company is currently conducting Phase III clinical trials in HCC and MCRC to demonstrate the full extent of the Litx™ system’s safety and efficacy.

LSO does not perceive Litx™ as a cure for cancer. Instead the company believes the Litx™ technology should fit into the emerging paradigm for treating cancer as a chronic, albeit life-threatening disease, with the aim of extending patients’ lives and preserving quality of life. Limiting costs, easing administration, and increasing tolerability advance that overall strategy.

#### PORTFOLIO POTENTIAL

Based on the mechanism of action and the effect of Litx™ treatment, obvious targets of Litx also include benign neoplasms—growths of non-cancerous tissue that nonetheless have profound implications for patient morbidity and even mortality. Using light-activated devices based on those used in LSO’s cancer treatments, Litx™ may offer new treatments in vascular disease and benign prostatic hyperplasia (BPH).

In vascular disease, a Litx™ array is designed to “recondition” blood vessels by destroying any resident “vulnerable” or unstable plaque. Such reconditioning of vessels may prevent rigidity and

narrowing—or stenosis—of vessels and reduce the risk of breakup of plaque causing heart attack or stroke. Preclinical data shows that Litx™ only affects diseased areas, leaving treated vessels reconditioned with a favorable effect on the development of plaque or scar tissue. Litx™ may address BPH by shrinking the prostate gland in the same way it shrinks tumors—by forcing apoptosis in overgrown tissue. As in cancer, Litx™ advantages over existing therapies in BPH include treatment simplicity, safety and repeatability using a disposable device.

LSO has now positioned itself for growth as a fully integrated development company with a strong portfolio of intellectual property, an advantageous technology platform, innovative products in development, and an exceptionally talented team.

## CONTACTS

Robert M. Littauer  
Vice President, Chief Financial Officer and Treasurer  
425-369-2762  
[bobl@lsoncology.com](mailto:bobl@lsoncology.com)

Llew Keltner, M.D., Ph.D  
President and CEO  
425-369-2773  
[dr\\_llew@lsoncology.com](mailto:dr_llew@lsoncology.com)

website: [www.lsoncology.com](http://www.lsoncology.com)