

Pro-Pharmaceuticals Reports Second Quarter Results

Newton, Mass. (August 5, 2005) -- Pro-Pharmaceuticals, Inc. (Amex: PRW), a developer of novel carbohydrate compounds that enable the targeted delivery of chemotherapy drugs to cancer cells, today reported its results for the three and six months ended June 30, 2005.

For the second quarter, the Company reported a net loss of \$1,698,000, or \$0.06 per share, compared with a net loss of \$1,405,000, or \$0.06 per share, for the same period in 2004. For the six months ended June 30, 2005, the Company reported a net loss of \$3,115,000, or \$0.11 per share, compared with a net loss of \$3,259,000, or \$0.13 per share, for the same period in 2004. The Company's cash and cash equivalent position at June 30, 2005 was \$7,337,000.

Research and development expense for the three months ended June 30, 2005 was \$831,000, or a 59% increase, compared with \$522,000 for the three months ended June 30, 2004. R&D expense consists primarily of costs related to clinical trials, product development, pre-clinical research, regulatory and medical consultants, and drug manufacturing. The increase was associated with the ramp up of the Phase II clinical trial. General and administrative expense for the second quarter of 2005 was \$897,000, or a 2% decrease, compared with \$915,000 incurred during the three months ended June 30, 2004. G&A expense consists primarily of salaries, legal and accounting fees, insurance, investor relations, business development and office-related costs. Decreased legal expense was offset largely by an increase in payroll.

Research and development expense for the six months ended June 30, 2005 was \$1,432,000, or a 4% increase compared, with \$1,373,000 for the same period in 2004. Reductions in cost associated with the completion of the Phase I clinical trial were offset by increased cost related to the ramp up of Phase II. General and administrative expense for the first six months of 2005 was \$1,749,000, or a 10% decrease, compared with \$1,937,000 incurred during the same period in 2004. Decreased legal expense was offset partially by an increase in payroll cost.

Recent business highlights include:

- Dosed patients at two Phase II clinical sites
- Phase I data presented at ASCO show DAVANAT[®]/5-FU well tolerated; disease stabilized in 54% of patients with measurable disease
- Received "Compassionate Use" IND for patient with cholangiocarcinoma (cancer of the bile duct) with metastases to the liver
- Company added to the new Russell Microcap Index
- Received new U.S. patent for the delivery of a chemotherapeutic agent to reduce toxicity

"We continue to make good progress in the clinical development of our lead carbohydrate compound DAVANAT[®], as we announced positive Phase I results and ramped-up the Phase II colorectal cancer trial," said David Platt, Ph.D., Chief Executive Officer, Pro-Pharmaceuticals. "The patient on compassionate use continues to respond well and has entered the ninth month of treatment with DAVANAT[®]/5-FU therapy. We also continue to make good progress with our pre-clinical programs.

"The Phase I results are a clear indication of the power and efficacy of our carbohydrate platform technology and demonstrate the potential for a paradigm shift in the way drugs are designed. Our mission is to 'Glyco-Upgrade'[™], FDA-approved chemotherapy drugs by giving them a target delivery mechanism utilizing our carbohydrate compounds."

Phase II Clinical Trial

The Company initiated a Phase II, multi-center, open-label trial to evaluate the safety and efficacy of intravenous DAVANAT® in combination with 5-Fluorouracil (5-FU) when administered in monthly cycles as third-, or fourth-line therapy for metastatic colorectal cancer. Dosing of patients began in May. The trial is a Simon's two-stage design and expects to enroll up to 33 patients.

About DAVANAT®

DAVANAT® is a proprietary polysaccharide in a CARBOSOME formation that target delivers chemotherapy drugs to protein receptors (lectins) that are specific to cancer cells.

Pro-Pharmaceuticals, Inc. – Advancing Drugs Through Glycoscience®

Pro-Pharmaceuticals is a drug development company commercializing a new generation of anti-cancer treatments using carbohydrate compounds to Glyco-Upgrade™ the safety and efficacy of FDA-approved chemotherapy drugs. The Company has been conducting pre-clinical studies for irinotecan, doxorubicin, oxaliplatin, paclitaxel, cisplatin, and most recently with bevacizumab both in combination with DAVANAT® and other polysaccharide compounds. Human colon and breast xenography are being used to optimize formulations and results show that DAVANAT® exhibits a broad spectrum of activity with tested drugs. Additional information is available at www.pro-pharmaceuticals.com.

FORWARD LOOKING STATEMENTS: Any statements in this news release about future expectations, plans and prospects for the Company, including without limitation statements containing the words "believes," "anticipates," "plans," "expects," and similar expressions, constitute forward-looking statements as defined in the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Because of uncertainties and risks facing the Company, many of which are outside of the Company's control, future events could cause actual results to differ materially from those indicated by such statements. More information about those risks and uncertainties is contained and discussed in the "Management Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" sections of the Company's most recent quarterly or annual report and in the Company's other reports filed with the Securities and Exchange Commission. The forward-looking statements herein represent the Company's views as of the date of this news release and should not be relied upon to represent the Company's views as of a subsequent date. While the Company anticipates that subsequent events may cause the Company's views to change, the Company disclaims any obligation to update such forward-looking statements.

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