

## **PRO-PHARMACEUTICALS' MANAGEMENT OUTLINES STRATEGIC INITIATIVES**

### ***Reallocation of Resources Designed to Extend Cash Runway***

#### **Company Anticipates NDA Filing & Revenue in 2009**

**Newton, Mass. (September 18, 2008)** – The senior management of **Pro-Pharmaceuticals, Inc. (AMEX: PRW)**, has outlined strategic initiatives that will reallocate corporate resources in order to extend the Company's cash runway and fund operations into December. The Company anticipates a 505 (b)(2) New Drug Application ("NDA") with the U.S. Food and Drug Administration ("FDA") for DAVANAT® with 5-FU to treat advanced colorectal cancer with revenues to follow in 2009.

As per the initiatives, the Company is focusing its resources on its NDA filing and the commercialization of DAVANAT®. To date, there has been a significant reduction in operating expenses that extend the Company's cash runway into December. On the short list of cost reductions targets, the Company has eliminated non-core expenses; significantly reduced management compensation; lowered legal and accounting expenses and consulting fees; and reduced research and development and clinical trial expenses in order to focus on the PK study needed to file the NDA and has halted its Phase II, line I, biliary cancer trial.

"These cost cutting steps will better position the Company to achieve our near-term goal of commercializing DAVANAT® by 2009," said Pro-Pharmaceuticals CEO David Platt, PhD. "We are absolutely convinced that DAVANAT® is critical to the many patients suffering from advanced colorectal cancer. Regardless of the difficulties that we must overcome, we remain completely focused on achieving our goal."

As recently announced, the Company has requested a meeting with the FDA to review the PK study needed to complete the NDA filing. Results of pre-clinical studies show that there is more 5-FU accumulation in the tumor when co-administered with DAVANAT® than when 5-FU is administered alone. These studies coupled with clinical trial data further support that DAVANAT® is safe, non-toxic, and improves the efficiency of 5-FU with no increase in toxicity while significantly reducing associated known side effects.

"In light of our present cash position and funding requirement, we made a strategic decision to submit DAVANAT® to the FDA under 505 (b)(2); thus, reducing dramatically the time and costs associated to obtain regulatory approval," Dr. Platt continued.

"It is paramount we continue our projects without interruption in order to achieve sales of our lead drug candidate DAVANAT® in 2009. Hence, we are actively pursuing financing options and, although there are no assurances, we are confident that we will receive the funds needed to complete the submission for DAVANAT®, further our efforts on our other drug and delivery platforms, and increase shareholder value," Dr. Platt concluded.

The Company is using 505 (b)(2) to obtain more timely and efficient marketing approval of new formulations of previously approved chemotherapeutics in combination with the Company's proprietary drug. The Company is seeking approval for co-administration of DAVANAT<sup>®</sup>, a new chemical entity, with FDA-approved 5-FU for intravenous injection for the treatment of cancer.

DAVANAT<sup>®</sup> is a galactomannan, a class of drugs approved by the FDA for oral and topical use. 5-FU is one of the most widely used chemotherapy drugs in the world and is used to treat various types of cancers, including colorectal, breast, and gastrointestinal. Additional 505(b)(2) filings are planned for DAVANAT<sup>®</sup> with other chemotherapeutics and biologics.

#### **About DAVANAT<sup>®</sup>**

DAVANAT<sup>®</sup>, a new chemical entity, is a proprietary carbohydrate compound that is administered with chemotherapies and biologics to treat cancer. DAVANAT<sup>®</sup>'s mechanism of action is based on binding to lectins. DAVANAT<sup>®</sup> targets specific lectin receptors (Galectins) on cancer cells. Current research indicates that Galectins affect cell development and play important roles in cancer, including tumor cell survival, angiogenesis and tumor metastasis.

#### **Pro-Pharmaceuticals, Inc. – Advancing Drugs Through Glycoscience<sup>®</sup>**

Pro-Pharmaceuticals is engaged in the discovery, development, and commercialization of carbohydrate-based, targeted therapeutics for advanced treatment of cancer, liver, microbial, and inflammatory diseases. Initially, the product pipeline is focused on developing targeted therapeutics to treat cancer. The Company's technology also is being developed to explore the treatment of liver and kidney fibrosis. The Company is headquartered in Newton, Mass. Additional information is available at [www.pro-pharmaceuticals.com](http://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. These forward-looking statements are based on management's current expectations and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those, described in such statements. We caution investors that actual results or business conditions may differ materially from those projected or suggested in forward-looking statements. More information about those risks and uncertainties is contained in the Company's most recent quarterly or annual report and other reports filed with the Securities and Exchange Commission. 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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