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**Results from Neurotech's NT-501 Phase 2 Retinitis Pigmentosa Studies
Demonstrate Consistent Biological Effect on Photoreceptors**

Lincoln, RI (May 28, 2009) – Neurotech Pharmaceuticals, Inc., today announced that the Company's product candidate, NT-501 demonstrated a strong biologic effect in two Phase 2 clinical trials for retinitis pigmentosa (RP). RP is a slowly developing condition that causes the progressive degeneration of rod & cone photoreceptor cells in the retina that over time diminishes night and peripheral vision and eventually leads to blindness. RP is an orphan-designated indication for which there are currently no approved treatments.

In both studies, there was a statistically significant ($p < 0.001$ for the high dose group in each study), dose-dependent increase in retinal thickness involving photoreceptor layers as measured by optical coherence tomography (OCT). This statistically-significant effect has also been observed in a recently completed Phase 2 NT-501 study in patients with geographic atrophy associated with dry age-related macular degeneration (AMD), the results of which were reported by Neurotech on March 26, 2009. This effect, which is believed by the Company to be neuroprotective, has also been demonstrated in animals.

NT-501 is an intraocular implant that consists of human cells that have been genetically modified to secrete ciliary neurotrophic factor (CNTF). CNTF, a growth factor capable of rescuing and protecting dying photoreceptors, is delivered directly to the back of the eye in a controlled, continuous basis by means of the Company's proprietary Encapsulated Cell Technology (ECT) platform. Delivery via ECT bypasses the blood-retinal barrier and overcomes a major obstacle in the treatment of retinal disease.

The two Phase 2 studies were multi-centered, randomized, double-masked, sham-controlled dose ranging studies designed to evaluate the safety and efficacy of NT-501 in patients with RP. The first trial studied 65 patients with later stage RP (defined as patients diagnosed with RP and vision between 20/63 and 20/320). The second trial studied 67 patients with earlier stage RP (defined as patients diagnosed with RP and vision better than 20/63). In both studies each patient received either a high or low dose NT-501 implant in one eye and a sham treatment in the fellow control eye. Best corrected visual acuity (BCVA) and visual field sensitivity (VFS) were evaluated as primary endpoints for patients in the later stage and earlier stage RP studies, respectively. At 12 months no trend in visual benefit was observed in either study for these functions, possibly due to the slow progression of the disease. RP patients in general have a gradual progression of vision loss, often over many years or decades. These patients will continue to be monitored for an additional 6 to 18 months per protocol. There were no NT-501 associated serious adverse events reported and both NT-501 and the surgical procedure were well-tolerated.

“CNTF has the potential to help people with retinitis pigmentosa and other photoreceptor degenerations,” said Dr. Paul Sieving, Director of the National Eye Institute and Principal Investigator of Neurotech’s Phase 1 study of NT-501 in RP. “These studies are important as they present an opportunity to move the field forward.”

“We are hopeful that the biological changes observed in RP patients treated with NT-501 will lead to a benefit in visual function,” stated Dr. David Birch, Director of the Retina Foundation of the Southwest and lead investigator for the RP studies. “However, the progression of this disease is slow and we have not seen a visual benefit in the treated eye relative to the control eye over this relatively short 12-month time period,” added Dr. Birch.

“We are encouraged with the consistent biological effects of CNTF observed in these two Phase 2 RP studies,” commented Ted Danse, President and Chief Executive Officer of Neurotech. “We will continue to follow the patients in these studies and plan to discuss the

results and the clinical development path with the Food and Drug Administration (FDA),” added Mr. Danse.

“We are pleased that the NT-501 treatment has shown a positive biological effect on the retina in these two clinical trials, and we are hopeful that vision preservation will be observed when all information is available at the conclusion of the clinical trials,” stated Stephen Rose, PhD, Chief Research Officer, Foundation Fighting Blindness. “We are very proud of our long-term support for NT-501 and the innovative ECT technology.”

Explants of 25 NT-501 devices from these two studies were prospectively performed between 12 and 24 months following implantation. All have been found to have uniformly healthy, viable cells that continue to produce therapeutic levels of CNTF. This is consistent with data from multiple trials of NT-501 in which, to date, 40 devices have been explanted between 6 and 24 months following implantation and all devices have contained healthy, viable CNTF-producing cells.

“We are very excited about the ability of our ECT platform to deliver a variety of therapeutic factors in a consistent, long-term and well-controlled manner,” said Danse. “In addition to these RP studies, we are actively developing NT-501 for geographic atrophy associated with dry AMD, and plan to initiate a Phase 1 study for our second product candidate, NT-503, in wet AMD in the second half of this year. NT-503 inhibits a well-validated target in wet AMD, VEGF, and has the potential to provide a one-time administration for a 12 to 18 month period versus the current wet AMD treatment regimen that requires monthly injections with very close patient monitoring,” concluded Danse.

About Retinitis Pigmentosa (RP)

Retinitis Pigmentosa (RP) is an inherited disease that causes the retina's rod and cone photoreceptors to gradually degenerate leading to loss of vision and blindness. The symptoms of RP predominately appear in young adults and affect approximately 100,000 people in the United States and over 1 million people worldwide. At this time there is no known cure or effective treatment for RP.

About NT-501

Neurotech's lead product, NT-501, consists of encapsulated human cells genetically modified to secrete ciliary neurotrophic factor (CNTF). CNTF is a growth factor capable of rescuing dying photoreceptors and protecting them from degeneration. NT-501 is designed to continually deliver a therapeutic dose of CNTF into the back of the eye.

About Encapsulated Cell Technology

Neurotech's core technology platform is Encapsulated Cell Technology (ECT), a unique technology that allows for the long-term, sustained delivery of therapeutic factors to the back of the eye. ECT implants consist of cells that have been genetically modified to produce a specific therapeutic protein and are encapsulated in a semi-permeable hollow fiber membrane. The diffusive characteristics of the hollow fiber membrane are designed to promote long-term cell survival by allowing the influx of oxygen and nutrients while simultaneously preventing direct contact of the encapsulated cells with the cellular and molecular elements of the immune system. The cells continuously produce the therapeutic protein which diffuses out of the implant at the target site. ECT thereby enables the controlled, continuous delivery of therapeutic factors directly to the retina, bypassing the blood-retina barrier.

About Neurotech Pharmaceuticals, Inc.

Neurotech is developing sight-saving therapeutics for the treatment of chronic retinal diseases. The Company's lead product candidate, NT-501, is currently in late-stage clinical development for advanced dry age-related macular degeneration (dry AMD) and retinitis pigmentosa (RP). The Company's portfolio of product candidates also includes treatments for wet AMD. All of Neurotech's development programs are based on the Company's proprietary Encapsulated Cell Technology (ECT). ECT uniquely enables the controlled, continuous delivery of biologics directly to the back of the eye, thereby overcoming a major obstacle in the treatment of retinal disease. To learn more, please visit our web site at www.neurotechusa.com