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NEWS RELEASE

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OAKWOOD LABORATORIES ANNOUNCES AGREEMENT WITH SANTEN PHARMACEUTICAL

CLEVELAND, OHIO and OSAKA, JAPAN – March 28, 2006 – Oakwood Laboratories, L.L.C. and Santen Pharmaceutical Co., Ltd., Osaka, Japan, announced that they have entered into an agreement for the licensing of Oakwood’s drug delivery technology for use with Santen’s steroidal product to treat Diabetic Macular Edema (development code named DE-102). Under the agreement, Oakwood will provide formulation and dosage form development, and manufacturing of clinical and commercial scale supplies of DE-102, using Oakwood’s CHRONIJECT™ microsphere-based sustained release injectable technology.

Diabetic Macular Edema (DME) is an ophthalmic disorder associated with swelling of the retina in diabetes mellitus due to leaking of fluid from blood vessels within the macula, which is in the central portion of the retina. The severe deterioration of DME can cause failing vision or vision loss. Currently, the major treatments for DME are endophotocoagulation or surgery.

“Santen is committed to improving the effectiveness of drugs to treat DME, utilizing enhanced drug delivery,” said Toshiaki Nishihata, Ph.D., Santen’s Head of Research and Development Division. “DE-102 has demonstrated sustained efficacy when injected around the affected area. Producing sterile microspheres in commercial scale requires the technology and facilities that Oakwood will provide.”

“We are pleased to be entering into this important relationship with Japan’s premier ophthalmic company,” said Mark T. Smith, President and CEO of Oakwood. “ It is a tribute to both the expertise of our personnel and the strength of our CHRONIJECT™ drug delivery technology. Oakwood’s feasibility study provided Santen with robust proof-of-concept, and the confidence to move forward with us on the development of this exciting product.”

Retinal disease is an important area of research and development for Santen. The company expects DE-102 will improve patients’ quality of life, as well as enhance its pipeline of products in this area.

Oakwood Laboratories’ proprietary CHRONIJECT™ technology has been shown to offer an adaptable and easily scaleable system for the development and manufacture of injectable sustained release dosage forms of multiple drug classes. A distinct benefit of the technology is its ability to offer customizable release profiles as well as control of the duration of delivery.

Santen Pharmaceutical Co., Ltd., founded in Osaka, Japan in 1890, specializes in the research, development, production and marketing of ophthalmic and anti-rheumatic pharmaceuticals and surgical devices. Among prescription ophthalmic pharmaceuticals, Santen holds the top share within the Japanese market and is one of the leading ophthalmic companies worldwide. Santen has subsidiaries in the U.S., Europe and Asia, including its wholly-owned Napa, California-based Santen Inc.

Oakwood Laboratories, L.L.C., is an emerging specialty pharmaceutical company focused on advanced injectable drug delivery. Its first technology platform, CHRONIJECT™, is a sustained release microsphere formulation that enables a single injection to deliver drug for periods ranging from one week up to one year. Oakwood is currently using this patented technology to develop a portfolio of proprietary products in a variety of therapeutic areas, including oncology, endocrinology, CNS, and dermatology. Oakwood also partners with pharmaceutical and biotechnology companies to apply its drug delivery technology to new chemical entities or to extend the patent life of existing products. The company has recently completed an aseptic manufacturing facility for the production of clinical and commercial supplies of products employing CHRONIJECT™ technology, as well as other liquid and lyophilized parenteral pharmaceuticals for contract customers.

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