

FOR IMMEDIATE RELEASE

Transport Announces Agreement with Glaxosmithkline for European Rights to a Device/Drug Combination System for High-Potency Delivery of Acyclovir

Framingham, MA and Philadelphia, PA, January 27, 2005 – Transport Pharmaceuticals, Inc. (Transport) announced today that GlaxoSmithKline PLC (GSK) has signed a license and collaboration agreement for Transport's iontophoretic device/drug combination system for the delivery of acyclovir, an approved cold sore (herpes labialis) treatment. GSK received exclusive rights to market and sell the system in Europe, Australia, Latin America and South Africa. Acyclovir 5% cream is marketed as an over the counter (OTC) product in these territories.

Under the terms of the agreement, Transport will receive an upfront license fee from GSK, as well as milestone and royalty payments. GSK will provide technical support and contribute to certain cost of the upcoming European Phase III clinical trials. To date, Transport has completed two double-blind, placebo-controlled Phase II studies.

"Having an alliance with GSK, a market leader in cold sore treatments, for our lead product validates our technology and our approach to delivering existing drugs more effectively," noted Charles G. Hadley, chairman and chief executive officer of Transport. "This, along with our recent financing, will accelerate our development program for herpes labialis."

"The agreement with Transport was a natural fit for us," explained Ron Boon, vice president, new opportunities, consumer healthcare research and development, GlaxoSmithKline. "Transport's product has shown promise in clinical trials and this agreement provides us with an innovative technology that will help cold sore sufferers heal faster."

Transport's oral herpes product delivers acyclovir, an approved treatment for cold sores, directly to affected skin at concentrations considerably higher than conventional topical formulations. This approach addresses the challenge of rapidly achieving clinically active concentrations of drug in the skin necessary to treat the virus - a barrier that limits the efficacy of available oral herpes therapies. In addition, Transport's product requires only one ten-minute application, compared with available formulations that require multiple applications each day for several days.

Transport's platform is based on iontophoresis, a technology employing a low-voltage electrical charge to increase skin permeability in order to locally deliver medication through the skin. The company has developed a small, wireless computer-controlled electrode and medication applicator that will allow patients to self-administer topical drugs for a variety of indications.

About Transport Pharmaceuticals, Inc.

Transport Pharmaceuticals, Inc. is developing a proprietary iontophoretic drug delivery technology applicable to multiple dermatological diseases, with an initial focus on herpes labialis, or cold sores. The company's lead product enables the delivery of high doses of acyclovir, an approved cold sore treatment, directly to impacted skin areas, addressing a primary barrier to effective treatment of herpes labialis. The company operates under the management of neXus therapeutics, inc.

About neXus therapeutics, inc.

NeXus therapeutics, inc. is a biopharmaceutical management company that employs an "essential product development" paradigm to enhance the development process of early stage drugs and combination products. NeXus was founded by Dennis I. Goldberg, Ph.D., a broadly experienced drug development executive, and employs a team of highly skilled chemistry, manufacturing, regulatory and development executives.

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