

NEWS RELEASE

Successful Phase I Study Outcome for Acid Pump Antagonist

March 29, 2011 - RaQualia Pharma Inc. (RaQualia), CEO: Atsushi Nagahisa, 5-2, Taketoyo, Aichi 470-2341, Japan, today announced successful results from a first-in-human study conducted in the United States for RaQualia's Acid Pump Antagonists (RQ-00000004).

RQ-00000004 is a novel potassium competitive acid pump antagonist (APA) that inhibits the binding of potassium ion to H⁺/K⁺-ATPase. This mechanism of action is fundamentally different from that of proton-pump-inhibitors (PPIs) and enables a more rapid onset of maximum suppression together with longer duration of action if an appropriate pharmacokinetic profile is obtained. APAs are expected to improve Gastro-Esophageal Reflux Diseases (GERD) symptom control that is currently inadequately addressed by PPI therapy, and also could be an effective therapy for patients who require immediate gastric acid suppression.

The present study showed desired pharmacological effects of RQ-00000004 on the intragastric pH as well as good safety, tolerability and pharmacokinetic profiles in humans. The outcome suggests that RQ-00000004 could have a superior profile for the control of gastric pH compared to PPIs and currently available therapies for GERD.

These study results will be presented at Digestive Disease Week 2011 in Chicago on May 8, 2011.

Summary of Clinical Study Results:

The safety, tolerability, pharmacokinetics (PK) and pharmacodynamics (PD) of RQ-00000004 were investigated in healthy male volunteers who received a single oral administration of RQ-00000004 with a dose range of 3-300 mg. RQ-00000004 was safe and well tolerated up to the maximum dose of 300 mg. Plasma exposure of RQ-00000004 was increased in a dose-dependent manner with a linear proportionality. Gastric pH was elevated rapidly to the level of pH>6 approximately 1 hr after a single oral administration of RQ-00000004 at the doses of 30 mg or greater under fasted conditions. In the dose ranges of 30 - 300 mg, pH>4 holding time and median pH were also increased in a dose dependent manner. After a single administration of RQ-00000004 without a meal at bed-time, intragastric pH was maintained at level of >4 until the next morning. This profile of RQ-00000004 is clearly different from that of PPIs known to require multiple dosing and pump activation, e.g. by meal, for attaining maximum efficacy. RQ-00000004 is expected to be a novel potent therapeutic agent for use in the clinic to control the symptoms of various types of gastric acid-related diseases including GERD.