



FOR IMMEDIATE RELEASE  
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**GOVERNOR PERRY AND TEXAS ETF FUND INVEST IN  
SALIENT PHARMACEUTICALS**

HOUSTON, Texas — Texas Governor Perry and the state's Emerging Technology Fund (ETF) today announced a \$1 million investment in Houston-based Salient Pharmaceuticals Incorporated with a second \$1 million investment contingent on the company meeting six key milestones. The investment will allow for the commercialization of a cancer therapy-induced diarrhea application utilizing Salient's proprietary CASAD compound.

The Governor's office made the announcement in conjunction with today's Houston Technology Center's *Tech Connection* event at the Houstonian Hotel. Presenting at the event, Richard Scruggs, President and CEO of Salient Pharmaceuticals, felt honored by the partnership with Governor Perry and the state's ETF.

"Emerging businesses in this state that embark in new fields -- particularly in areas such as pharmaceutical development which require a long time and a great deal of capital, rely on the long range vision of investors and partners like the state's Emerging Technology Fund," said Scruggs. "Their work in the vetting process was thorough and the decision to invest validates the confidence we have in our product. We are looking forward to delivering results from our initial trials in the next 12 to 18 months and, eventually, bringing a Texas-based product to market."

Formed in 2007, Salient Pharmaceuticals is a Houston, Texas based life sciences company whose mission is to improve health and quality of life while strengthening the odds of therapy success for patients who suffer from the debilitating effects of chronic and/or acute diarrhea.

Key activities to be supported by the ETF funds include the Phase II trial being led by MD Anderson Cancer Center in cooperation with 12 other oncology clinics around the country, drug/drug interaction testing, stability testing, required regulatory filings and general corporate functions. The second ETF investment of \$1 million is anticipated later this year.

The ETF is a \$200 million initiative created by the Texas Legislature in 2005 at the governor's request, reauthorized in 2007 and again in the most recent session with \$203.5 million for the 2010-2011 biennium. A 17-member advisory committee of high-tech leaders, entrepreneurs and research experts reviews potential projects and recommends funding allocations to the governor, lieutenant governor and speaker of the House. To date, the ETF has allocated more than \$118 million in funds to 94 early stage companies, and \$148 million in grant matching and research superiority funds to Texas universities.

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