TransPharma Receives European CE Mark Approval for its Transdermal Drug Delivery Device

Lod, Israel, December 15, 2008 – TransPharma Medical Ltd., a specialty pharmaceutical company focused on the development and commercialization of drug products utilizing a proprietary active transdermal drug delivery technology, announced today that it received European CE Mark approval for its ViaDerm, a transdermal drug delivery device.

"We are excited about receiving the European CE approval for our unique ViaDerm device. This achievement confirms the safety of the ViaDerm device and brings us closer to offering patients a method for the accurate delivery of biologics, thus avoiding the need for injections," said Dr. Daphna Heffetz, CEO of TransPharma Medical.

The device incorporates a reusable, battery-operated handheld electronic control unit and a disposable microelectrode array that together with a patch containing a drug comprises the ViaDerm System. Once applied to the skin, microscopic pores are created utilizing TransPharma's proprietary RF-MicroChannel technology, which are covered seamlessly with the patch. The drug is then diffused from the patch, through the microscopic passageways, into the skin's inner layers, and from there into the systemic circulation. The ViaDerm system provides a cost-effective, easy-to-use, self-administered solution that enables the safe, reproducible and accurate delivery of a broad range of product candidates, including hydrophilic small molecules peptides and proteins.

TransPharma has completed fourteen clinical studies with over 350 subjects, as well as numerous pre-clinical trials, demonstrating excellent skin tolerability and efficacious transdermal delivery of various sizes and types of drug-molecules. The Company's lead product is ViaDerm-hPTH (1-34), a transdermal hPTH (1-34) drug-product, for the treatment of osteoporosis, currently in Phase 2 clinical studies. This drug-product will enable patients to better manage their disease by eliminating the need for daily painful injections while easing handling and administration. In a recent collaboration, TransPharma out-licensed the ViaDerm-PTH (1-34) to Eli Lilly, and was granted, in return, an upfront payment of $35 million and may also receive development and sales milestones, as well as royalties on sales if the product is successfully commercialized.

About TransPharma Medical

Established in 2000, TransPharma Medical Ltd. is a specialty pharmaceutical company focused on the development and commercialization of drug products utilizing a proprietary active transdermal drug delivery technology. The campany aims to develop multiple drug products through strategic partnerships with leading pharmaceutical companies and through independent product development. TransPharma is collaborating with Eli Lilly for the development and commercialization of its ViaDerm-hPTH (1-34) product for the treatment of osteoporosis currently in Phase 2 clinical studies. For more information, please visit the Company's website at www.transpharma-medical.com.

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