

## Solstice Neurosciences Raises \$85 Million in Private Financing

Malvern, PA - November 8, 2006 - Solstice Neurosciences, Inc., a privately-held biopharmaceutical company, announced that it has received a combined \$85 million in Series B Equity funding and Debt financing.

Highland Capital Management, L. P. of Dallas, Texas, led the Series B financing which included participation by existing Series A investors: Thomas, McNerney & Partners, Investor Growth Capital Inc., Morgan Stanley Venture Partners, and Oxford Bioscience Partners. Brett Pope and Nathan Hukill of Highland Capital Management will join Solstice's board of directors with the closing of this financing agreement.

These new funds will support the company's ongoing initiatives related to movement disorders and treatment for cervical dystonia using Myobloc® (Botulinum Toxin Type B) Injectable Solution (also sold and distributed as NeuroBloc® in Europe ). In addition, the proceeds from this financing will be used to fund growth initiatives and advance product development.

"Solstice Neurosciences is excited to receive this new round of financial support from the investors, who recognize the value of Solstice as a growing specialty biopharmaceutical company," said Shawn O'Brien, President and Chief Executive Officer at Solstice. "Solstice is now positioned to expand MYOBLOC sales in this attractive, fast-growing, two-player neurotoxin market."

Michael Pagnotta, Chief Financial Officer for Solstice, added, "Having this prominent group of investors committed to both equity funding and debt financing validates our investors' confidence and shared vision in Solstice."

Aquilo Partners Inc., a life science investment bank, was the exclusive placement agent for the equity funding.

About Solstice Neurosciences, Inc.:

Founded in 2004, Solstice Neurosciences, Inc. is a biopharmaceutical company focused on the development, manufacturing, sales and marketing of specialty products. With headquarters in Malvern, Pennsylvania, Solstice has its manufacturing and customer operations in South San Francisco, California, which is supported by a nationwide sales force.

Solstice's first product, Myobloc® (Botulinum Toxin Type B) Injectable Solution 5,000U/mL, represents the only botulinum toxin type B currently available to physicians and patients worldwide. Solstice purchased worldwide rights to MYOBLOC and NeuroBloc from Elan Pharmaceuticals in July 2004.

MYOBLOC is sold in the United States and approved in Canada. It is also sold and distributed in 8 markets in Europe as NeuroBloc®. MYOBLOC is indicated for the treatment of patients with cervical dystonia (CD) to reduce the severity of abnormal head position and pain associated with CD.

Solstice Neurosciences, Inc. has an agreement with Eisai Co., Ltd. of Tokyo, Japan, to develop and market NerBloc® (MYOBLOC) in Japan. Solstice also recently announced an agreement with DreamPharma Corporation to develop and market MYOBLOC for CD, other therapeutic and cosmetic uses in South Korea. For more information about Solstice Neurosciences, Inc., visit [www.solsticeneuro.com](http://www.solsticeneuro.com).

About Highland Capital Management, L. P.

Based in Dallas, Texas, with offices in New York and London, Highland Capital Management, L.P. ("Highland Capital") is a SEC-registered investment adviser specializing in credit and alternative investment investing. Highland Capital currently manages over \$30 billion in leveraged loans, high yield bonds, structured products and other assets for banks, insurance companies, pension plans, foundations, and high net worth individuals.

About Cervical Dystonia

Cervical Dystonia (CD), also known as spasmodic torticollis, is a condition that primarily affects the muscles of the head and neck (the cervical area of the spine). Cervical dystonia is the most common dystonia requiring referral to movement disorder clinics. While the exact cause of CD is unknown, scientists believe the problem originates in the basal ganglia area of the brain that is instrumental in movement. Dystonia has an estimated prevalence of over 300,000 cases in North America, of which 50,000 are CD patients. In general, there are three main approaches to the treatment of CD: oral medications, surgery, and neurotoxin therapy.