



DURECT Corporation Announces Long-Term Drug Supply Agreement With Mallinckrodt

CUPERTINO, Calif., March 27 /PRNewswire/ —

DURECT Corporation (Nasdaq: DRRX) announced today that it has a long-term supply agreement with Mallinckrodt, a global manufacturer and marketer of specialty medical products. Mallinckrodt will supply DURECT's clinical and commercial requirements for sufentanil, a potent opioid analgesic and critical component of the company's lead product DUROS sufentanil, for the treatment of chronic pain. DURECT previously announced completion of patient enrollment for the Phase II clinical trial of DUROS sufentanil.

DUROS sufentanil is designed to deliver sufentanil on a continuous basis for 3 months for the treatment of chronic pain. Sufentanil is a FDA approved opioid that is currently used in hospitals as an anesthetic. Chronic pain is a significant problem associated with chronic diseases, including cancer and various neurological and skeletal disorders. DUROS sufentanil is intended for patients whose chronic pain is stable, opioid responsive and results from a variety of malignant and non-malignant causes. Annual sales of opioids for the treatment of chronic pain exceed \$1 billion.

Commenting on the agreement, James E. Brown, President and Chief Executive Officer of DURECT, stated, "We are very pleased to secure a long-term drug supply agreement with a partner of Mallinckrodt's reputation for quality and expertise. Securing a long-term supplier of our bulk drug requirements for our DUROS sufentanil product is a major step towards our drive to manufacture our FDA registration batches and brings us one step closer to initiating our Phase III clinical trials. With this supply agreement, we now have secured a qualified long-term clinical and commercial supply partner for a critical component to manufacture our lead product, DUROS sufentanil."

About DURECT Corporation

DURECT Corporation is pioneering the development and commercialization of pharmaceutical systems to deliver the right drug to the right site in the right amount at the right time. DURECT's pharmaceutical systems combine technology innovations from the medical device and drug delivery industries with proprietary pharmaceutical and biotechnology drug formulations. These capabilities can enable new drug therapies or optimize existing therapies based on a broad range of compounds, including small molecule pharmaceuticals as well as biotechnology molecules such as proteins, peptides and genes.

In addition to DUROS sufentanil, DURECT's second product in development, DUROS hydromorphone, continuously delivers hydromorphone to the spine for three months for the treatment of end-stage cancer pain. DURECT is also selling FDA cleared catheters for the delivery of fluids to the inner ear. DURECT also manufactures, sells and distributes the ALZET osmotic pump product for use in laboratory research.

Founded in 1998, DURECT is headquartered in Cupertino, CA. The company's World Wide Web site can be accessed at <http://www.durect.com>. The company's World Wide Web site for ALZET osmotic pumps and IntraEAR line of ear delivery



products can be accessed at <http://www.alzet.com> and <http://www.intraear.com>, respectively. To join DURECT's email alert service, please register by selecting "Email Alerts" on the main Investor Relations web page at <http://www.durect.com>.

DUROS is a registered trademark of ALZA Corporation.

About Mallinckrodt

Mallinckrodt, acquired by Tyco International Ltd.

(NYSE: TYC; LSE: TYI; BSX: TYC) on October 17, 2000, is a global manufacturer and distributor of specialty medical products designed to relieve pain, sustain breathing and diagnose disease. In pharmaceuticals, Mallinckrodt is the number one manufacturer of bulk narcotics and other drug chemicals, and is the world's largest producer of acetaminophen. Mallinckrodt also provides laboratory and microelectronic chemicals. Mallinckrodt is the industry leader in respiratory care products, including Nellcor pulse oximeters used for oxygen monitoring; Puritan-Bennett critical care ventilators and oxygen therapy systems; as well as airway management disposables, some of which are sold under the Shiley brand name; and products for the sleep therapy market. Its imaging products include contrast media used in x-ray, magnetic resonance imaging (MRI), computer axial tomography (C-T) and ultrasound diagnostic procedures. Mallinckrodt's radiopharmaceuticals are used for diagnostic and therapeutic nuclear medicine procedures.

The statements in this press release regarding DURECT's products in development, product development plans, clinical trials, and expected product benefits are forward-looking statements involving risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. Potential risks and uncertainties include, but are not limited to, DURECT's ability to develop, manufacture and commercialize its products, complete successful clinical trials, obtain product approvals from regulatory agencies, build a manufacturing facility, manage its growth and costs, as well as marketplace acceptance of DURECT's products. Further information regarding these and other risks is included in the company's S-1 registration statement, filed with the SEC on September 22, 2000 and its 424(b) prospectus filed with the SEC on September 28, 2000 and its Quarterly Report on Form 10Q for the quarter ended September 30, 2000 filed with the SEC on November 14, 2000.

SOURCE DURECT Corporation

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