DURECT Corporation and Thorn BioScience LLC Expand Existing Licensing Agreement to Develop Veterinary Products

CUPERTINO, Calif., Nov. 14 /PRNewswire-FirstCall/ —
DURECT Corporation (Nasdaq: DRRX) and Thorn BioScience LLC announced today that the two companies have expanded their agreement for the development and commercialization of veterinary products for reproductive indications using DURECT's SABER(TM) Delivery System. The SABER technology has the potential to successfully deliver therapeutic levels of a wide spectrum of drugs from 1 day to 3 months from a single administration for human pharmaceutical and veterinary applications.

"DURECT is impressed with the progress Thorn BioScience has made in the development of reproductive animal health products utilizing our SABER technology, with their first product well into the late stage of the NADA approval process," said Dr. James Brown, CEO of DURECT. "We are excited to expand our collaboration with Thorn as they further their efforts in applying our SABER technology to a broader range of drugs and veterinary applications."

"Thorn BioScience is pleased with its restructured business relationship with DURECT. The company anticipates excellent opportunities to develop products for veterinary medicine that will address unmet customer needs through Thorn's collaboration with DURECT," stated Dr. Barry Simon, CVO of Thorn BioScience.

Under the revised terms of the agreement, DURECT has granted to Thorn BioScience an exclusive, worldwide license to develop and commercialize veterinary products using the SABER delivery system to provide a sustained release therapy for reproductive indications for specified animal species. Thorn will also have rights to growth promotion indications for certain drug classes and for specified animal species. Thorn BioScience has committed to diligently develop multiple products with the technology. Financial consideration to DURECT is undisclosed.

Thorn BioScience is presently focusing the development of its portfolio in the area of controlled-release products to enhance reproduction in horses, cattle and swine. These products will enhance currently accepted production methods or fulfill unmet needs for producers. Thorn's first product using the SABER technology for managing reproduction in horses has already received approval for the efficacy portion of its New Animal Drug Application (NADA). The safety portion of the NADA has also been submitted and approval is pending. Thorn BioScience expects to submit the chemistry manufacturing and control section to the FDA's Center for Veterinary Medicine in 2003.

DURECT's SABER Delivery System is a patented, biodegradable controlled-release technology that can be formulated for parenteral, oral, dermal or other route of administration of active agents for human pharmaceutical and veterinary applications. The SABER Delivery System uses a high-viscosity base component, sucrose acetate isobutyrate (SAIB), to provide controlled release

of active ingredients. After administration of a SABER formulation, the solvent diffuses away, leaving a viscous, adhesive matrix of the remaining components — SAIB and the active drug. SABER can be formulated to effectively modify delivery rates of the active agent. SABER formulations have been tested in over 2,000 animals of various species, with actives ranging from antibiotics to peptides and proteins. DURECT is currently conducting preclinical studies in a variety of therapeutic areas using its SABER Delivery System for human pharmaceutical use.

DURECT Corporation (www.www.durect.com) is pioneering the development and commercialization of pharmaceutical systems for the treatment of chronic debilitating diseases and enabling biotechnology-based pharmaceutical products. DURECT's goal is to deliver the right drug to the right site in the right amount at the right time. DURECT's lead product in development, the CHRONOGESIC(TM) (sufentanil) Pain Therapy System is a 3-month product for the treatment of chronic pain. DURECT owns three proprietary drug delivery platform technologies, including the SABER(TM) Delivery System (a patented and versatile depot injectable useful for protein delivery), the MICRODUR(TM) Biodegradable Microparticulates (microspheres injectable system) and the DURIN(TM) Biodegradable Implant (drug-loaded implant system).

NOTE:
CHRONOGESIC(TM) is a trademark of DURECT Corporation. SABER(TM), MICRODUR(TM) and DURIN(TM) are trademarks of Southern BioSystems, Inc., a wholly owned subsidiary of DURECT Corporation. Other trademarks referred to belong to their respective owners.

Thorn BioScience LLC is a product driven, science based, controlled release animal pharmaceutical company. Based in Lexington, Kentucky, since 1995, Thorn BioScience LLC continues the mission of developing novel commercial veterinary products for use in reproductive management, therapeutics, and vaccines in animals. These products are a continuation of work initiated by Laura Thorn Ltd, d/b/a Thornbrook Farms of Mt. Kisco, New York, a strong supporter of equine reproductive research at leading universities.

The statements in this press release regarding Thorn BioScience's and DURECT's products in development and product development plans are forward-looking statements involving risks and uncertainties that can cause actual results to differ materially from those in such forward-looking statements. Potential risks and uncertainties include, but are not limited to, Thorn BioScience's and DURECT's ability to research, develop, manufacture and commercialize these products, obtain product and manufacturing approvals from regulatory agencies, as well as marketplace acceptance of these products. Further information regarding these and other risks is included in DURECT's Annual Report on Form 10-K for the fiscal year ended December 31, 2001 filed with the SEC on March 28, 2002, under the heading "Factors that may affect future results," and other periodic reports filed with the SEC. CHRONOGESIC is under development by DURECT and has not been submitted or approved for commercialization by the US Food and Drug Administration or other health authorities.

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