Pain Therapeutics and DURECT Corporation Announce Exclusive Agreement to Formulate Certain Long-Acting Opioid Drugs

SOUTH SAN FRANCISCO, Calif. and CUPERTINO, Calif., Jan. 14 /PRNewswire-FirstCall/ — Pain Therapeutics, Inc. (Nasdaq: PTIE) and DURECT Corporation (Nasdaq: DRRX) today announced they have signed an exclusive licensing agreement to formulate certain long-acting opioid drugs. Opioid drugs, sometimes called 'narcotic painkillers,' are widely used to treat moderate to severe pain. In the U.S., the market for opioid drugs exceeded $3 billion in 2002.

"Patients with severe chronic pain have a compelling need for continuous pain relief," said Remi Barbier, president and chief executive officer of Pain Therapeutics. "Such patients could benefit from long-acting versions of Oxytrex(TM), our lead drug candidate for severe chronic pain. We intend to formulate Oxytrex(TM) using DURECT's gel-cap SABER(TM) technology because we believe it has the potential to be the best sustained-release technology on the market. If DURECT's technology proves itself, we may also develop other highly innovative long-acting opioid drugs under this agreement."

Commenting on the agreement, Dr. Felix Theeuwes, chairman and chief scientific officer of DURECT said, "Our SABER(TM) technology is currently being explored as a matrix to potentially extend soft gelatin capsule dosage forms to long-acting products. We look forward to working with the experts at Pain Therapeutics to develop innovative sustained oral gel-cap products for the treatment of pain."

Under the agreement, Pain Therapeutics has exclusive worldwide rights to develop and commercialize certain opioid drugs formulated with DURECT's gel-cap SABER(TM) technology. Pain Therapeutics paid DURECT an undisclosed upfront fee and will make milestone payments based on the achievement of certain technical, clinical or regulatory milestones. Pain Therapeutics will also fund certain formulation activities performed by DURECT and will pay royalties on sales on products from this agreement.

About Pain Therapeutics, Inc.

We are a medical research company specializing in the discovery and development of novel proprietary painkillers. We believe our drug candidates, Oxytrex(TM) and MorViva(TM), may offer more pain relief (with no increase in side-effects) and lower tolerance/dependence, withdrawal effects or addiction potential compared to conventional forms of oxycodone and morphine. The target market for our drugs exceeds $3 billion in the United States. Our proprietary painkillers are currently in various phases of clinical testing, including Phase II trials. Pain Therapeutics is traded on NASDAQ under the symbol PTIE.

About DURECT Corporation

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 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. DURECT focuses on the treatment of chronic diseases including pain, CNS disorders, cardiovascular disease and cancer. NOTE: SABER(TM), MICRODUR(TM) and DURIN(TM) are trademarks of DURECT Corporation.

Pain Therapeutics, Inc. Forward Looking Statement

Note Regarding Forward-Looking Statements: This press release contains forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995 and it is Pain Therapeutics' intent that such statements be protected by the safe harbor created thereby. Examples of such statements include, but are not limited to, any statements relating to the milestone payments, formulation of the Company's drug candidates, the timing of the Company's clinical development of its drug candidates, the potential benefits of the Company's drug candidates, including any formulation of Oxytrex(TM) using DURECT's gel-cap SABER(TM) technology, and the size of the potential market for the Company's products. Such statements are based on management's current expectations, but actual results may differ materially due to various factors. Such statements involve risks and uncertainties, including, but not limited to, those risks and uncertainties relating to difficulties or delays in development, testing, regulatory approval, production and marketing of the Company's drug candidates, unexpected adverse side effects or inadequate therapeutic efficacy of the Company's drug candidates that could slow or prevent product approval or market acceptance (including the risk that current and past results of clinical trials are not necessarily indicative of future results of clinical trials), the uncertainty of patent protection for the Company's intellectual property or trade secrets, the Company's ability to obtain additional financing if necessary and unanticipated research and development and other costs. For further information regarding these and other risks related to the Company's business, investors should consult the Company's filings with the Securities and Exchange Commission, including its Form 10-K for the year ended December 31, 2001 and its subsequent quarterly filings. The BUTTERFLY DESIGN/LOGO is a registered trademark of Pain Therapeutics, Inc.

DURECT Corporation Forward Looking Statement

The statements in this press release regarding DURECT's and Pain Therapeutics' products in development, product development plans and potential opportunities, 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, DURECT's and Pain Therapeutics' abilities to research, develop, manufacture and commercialize these products, obtain product and manufacturing approvals from regulatory agencies, timely enroll patients and clinical sites in connection with clinical studies, effectively administer clinical trials, and protect intellectual property rights, 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, DURECT's Quarterly Report on Form 10Q for the quarter ended September 30, 2002 filed with the SEC on November 14, 2002 and other periodic reports filed with the SEC under the heading "Factors That May Affect Future Results."
SOURCE DURECT Corporation; Pain Therapeutics, Inc.

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