



KaloBios Strengthens Development Expertise with Additions to Senior Management Team

-- Adds Intellectual Property and Regulatory Expertise --

PALO ALTO, California, January 29, 2008 – KaloBios Pharmaceuticals, Inc., a privately held biopharmaceutical company, today announced two additions to its senior management team that significantly increase the company’s intellectual property and regulatory expertise. Carol Stratford, Ph.D., J.D., who previously worked for Pfizer as Site Head of the Rinat Laboratories facility, joins KaloBios as General Counsel and Head of Intellectual Property. Charles Democko, previously Vice President, Regulatory Affairs and Development Operations at Novacea Inc., joins the company as Vice President, Regulatory Affairs and Quality.

“We are very pleased to welcome both Carol and Charles to the KaloBios senior management team,” said David Pritchard, KaloBios President and Chief Executive Officer. “Their many years of experience within emerging pharmaceutical and biotechnology companies will serve KaloBios well as we advance the development of our novel human antibody therapeutics for rheumatoid arthritis and *Pseudomonas* infections and further build our pipeline based on our novel Humaneering™ technology.”

Carol Stratford has over 20 years of experience in the biotechnology and pharmaceutical industries. Prior to Pfizer’s acquisition of the company, Dr. Stratford served as Vice President of Intellectual Property at Rinat Neuroscience, the predecessor to Rinat Laboratories. She has also held senior management level positions at Elan Pharmaceuticals and Galileo Pharmaceuticals. She holds a BS/AM in Biological Sciences from Stanford University, a PhD in Pharmacology from the University of Michigan, and a JD from Santa Clara University School of Law.

Charles Democko joins KaloBios with over 25 years of experience in research and development in start-up to mid-size pharmaceutical companies. Prior to his role at Novacea, Mr. Democko held the position of Vice President, Regulatory Affairs and Development at PharmacoFore Inc., and before that was Vice President, Regulatory Affairs at Connetics Inc. Mr. Democko has also held management level positions at Theravance Inc., Elan Pharmaceuticals Inc. and Genentech Inc. Mr. Democko holds a BS in Microbiology from The Ohio State University.

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About KaloBios

KaloBios Pharmaceuticals, Inc., a U.S. based, private monoclonal company, uses its proprietary platform technology to develop first or best-in-class human antibody therapeutics. It currently has two programs that have completed Phase 1 studies and are entering Phase 1/2 studies; KB001 is an anti-infective for *Pseudomonas aeruginosa* infections to be tested in cystic fibrosis and intensive care patients on a ventilator, and KB002 is an anti-inflammatory in a study for rheumatoid arthritis and entering a study for persistent asthma patients. The company's Humaneering™ technology offers advantages over other methods of human antibody creation in terms of immunogenicity, potency, and manufacturing yields. For more information, visit www.kalobios.com.

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