

Sound Pharma receives grants from the IRS under the Qualifying Therapeutic Discovery Project program created by the Patient Protection and Affordable Care Act of 2010

Seattle, WA ---November 1, 2010

Sound Pharmaceuticals Inc., (SPI) announces that it has received three cash grants totaling \$733,437 from the U.S. Treasury under the Qualifying Therapeutic Discovery Project (QTDP) program, created by the Patient Protection and Affordable Care Act of 2010. SPI submitted three grant applications to the QTDP program on July 21, 2010 based on its qualified expenditures involving its otoprotection, chemoprotection and regeneration programs. Applicants were required to detail their qualifying preclinical and clinical projects and their associated 2009 and 2010 costs that were then evaluated by the Department of Health and Human Services (DHHS) and the Internal Revenue Service (IRS).

The DHHS approved applications for projects that showed significant potential to produce new and cost-saving therapies, support jobs and increase U.S. competitiveness. The IRS determined the credit or grant amount for each approved project. The IRS notified SPI of its awards on Oct. 29, 2010.

Sound Pharmaceuticals, Inc., is a privately held biopharmaceutical company with a focus on developing the first drugs for hearing loss and brain injury. For more information please contact Jonathan Kil, MD, President and CEO, 206-634-2559 or <http://www.soundpharma.com>.

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