ZIOPHARM Oncology Awarded $733,000 Grant under the U.S. Qualified Therapeutic Discovery Project Program

NEW YORK, Nov 02, 2010 (BUSINESS WIRE) -- ZIOPHARM Oncology, Inc. (Nasdaq: ZIOP) announced today that it has been awarded $733,000 in funding under the U.S. Government's Qualifying Therapeutic Discovery Project (QTDP) program.

"These grants underscore ZIOPHARM's commitment to advancing patient treatment in cancer and recognize our accomplishments to date in reaching this goal," said Jonathan Lewis, M.D., Ph.D. and Chief Executive Officer of ZIOPHARM. "We look forward to applying this capital toward our three clinical programs, each of which explores areas of significant unmet medical need in cancer."

The QTDP was created by Congress in March 2010, as enacted under the Patient Protection and Affordable Care Act and provides a tax credit or grant equal to 50% of eligible costs and expenses for the tax years of 2009 and 2010. The Company has received funding for three of its lead product candidates: palifosfamide (Zymafos(TM) or ZIO-201), darinaparsin (Zinapar^{TM} or ZIO-101) and indibulin (Zybulin(TM) or ZIO-301).

About ZIOPHARM Oncology, Inc.:

ZIOPHARM Oncology is a biopharmaceutical company engaged in the development and commercialization of a diverse portfolio of cancer drugs. The Company is currently focused on three clinical programs.

Palifosfamide (Zymafos^{TM} or ZIO-201) is a novel DNA cross-linker in class with bendamustine, ifosfamide, and cyclophosphamide. ZIOPHARM is currently enrolling patients in a randomized, double-blinded, placebo-controlled Phase III trial with palifosfamide administered intravenously for the treatment of metastatic soft tissue sarcoma in the front-line setting. The Company expects to initiate additional studies in the near-term, including a Phase I IV study of palifosfamide in combination with standard of care addressing small cell lung cancer and a Phase I study of oral palifosfamide.

Darinaparsin (Zinapar^{TM} or ZIO-101) is a novel mitochondrial-targeted agent (organic arsenic) being developed intravenously for the treatment of peripheral T-cell lymphoma with a pivotal study expected to begin in late 2011. An oral form is in a Phase I trial in solid tumors.

Indibulin (Zybulin^{TM} or ZIO-301) is a novel, oral tubulin binding agent that is expected to have several potential benefits including oral dosing, application in multi-drug resistant tumors, no neuropathy and minimal overall toxicity. It is currently being studied in Phase I/II in metastatic breast cancer.

ZIOPHARM's operations are located in Boston, MA with an executive office in New York City. Further information about ZIOPHARM may be found at www.ziopharm.com.

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Forward-Looking Safe Harbor Statement:

This press release contains forward-looking statements for ZIOPHARM Oncology, Inc. that involve risks and uncertainties that could cause the Company's actual results to differ materially from the anticipated results and expectations expressed in these forward-looking statements. These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties, which could cause actual outcomes and results to differ materially from these statements. Among other things, there can be no assurance that any of the Company's development efforts relating to its product candidates will be successful, or such product candidates will be successfully commercialized. Other risks that affect forward-looking information contained in this press release include the possibility of being unable to obtain regulatory approval of the Company's product candidates, the risk that the results of clinical trials may not support the Company's claims, the risk that pre-clinical or clinical trials will proceed on schedules that are consistent with the Company's current expectations or at all, risks related to the Company's ability to protect its intellectual property and its reliance on third parties to develop its product candidates, risks related to the sufficiency of existing capital reserves to fund continued operations for a particular amount of time and uncertainties regarding the Company's ability to obtain additional financing to support its operations thereafter, as well as other risks regarding the Company that are discussed under the heading "Risk Factors" in the Company's filings with the

United States Securities and Exchange Commission. Forward-looking statements can be identified by the use of words such as "may," "will," "intend," " should," "could," "can," "would," "expect," "believe," "estimate," " predict," "potential," "plan," "is designed to," "target" and similar expressions. The Company assumes no obligation to update these forward-looking statements, except as required by law.

SOURCE: ZIOPHARM Oncology, Inc.

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