



NEWS RELEASE

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Tokai Pharmaceuticals Closes \$22 Million Series D Funding

Company Developing Novel Compound to Treat Prostate Cancer

CAMBRIDGE, Mass., May 8, 2009 -- Tokai Pharmaceuticals, a biotechnology company that is developing a novel therapy for the treatment of advanced prostate cancer, today announced that it has closed a \$22 Million private placement of preferred stock in a round led by the Novartis Venture Fund (NVF). Apple Tree Partners, which founded the company, invested alongside NVF. Proceeds from the financing will be used to advance Tokai's lead development candidate, TOK-001, into the clinic for the treatment of advanced prostate cancer.

Tokai Pharmaceuticals was founded in 2004 by Apple Tree Partners. The mission of the company is to in-license promising preclinical and clinical compounds in the area of endocrinology, metabolic disease and hormone dependent tumors and growths. The lead therapeutic program is a therapy designed for the treatment of advanced (castration resistant) prostate cancer.

Prostate cancer is a disease that kills approximately 28,000 men each year in the U.S. alone. Prostate cancer is the third most common cause of death from cancer in men of all ages and is the most common cause of death from cancer in men over 75 years old. Usually when it is first diagnosed, prostate cancer's growth is dependent upon male hormones (testosterone) and is effectively treated with therapies that induce a state of low levels of testosterone, similar to those found after castration. However, with time, the prostate cancer cells that survive develop mechanisms to grow in the presence of low levels of circulating levels of testosterone. Currently the only therapy approved for the treatment of castration resistant prostate cancer is a chemotherapeutic, Taxotere. New therapies are needed to specifically address the new mechanisms that allow castration resistant prostate cancer cells to grow.

Tokai Pharmaceuticals is developing a drug candidate that disrupts the growth and survival of these cancer cells by targeting three specific targets in the prostate cancer cell. The company's initial focus is on the development of this drug to treat this serious unmet medical need. To do this it has assembled a team of highly experienced drug developers. Also supporting the company's efforts is an Advisory Board featuring some of the most

renowned scientific and clinical experts within the fields of oncology and urology. Cy Stein, M.D. is working with Tokai as its Chief Medical Officer. Dr. Stein is currently Professor of Medicine at Albert Einstein College of Medicine, and Director of the Medical Genitourinary Oncology Division. He is also an Attending Physician at the Montefiore Medical Center.

"We now have a better understanding of the unique mechanisms by which prostate cancer cells survive in a low androgen environment. TOK-001 exhibits biological properties that disrupt these unique mechanisms. To date we have found the compound to be safe and extremely effective in all cell based and animal models of the disease, and, importantly, is orally bioavailable. These characteristics have allowed us to aggressively move towards the clinical development of this compound" said Scott Chappel, Ph.D., Chief Scientific Officer of Tokai.

Reinhard Ambrose, Ph.D. and Campbell Murray, M.D. of Novartis Venture Fund will join Seth Harrison M.D., Tokai's Acting CEO and Managing Partner of Apple Tree Partners, Joseph A. Yanchik III, CEO Aileron Therapeutics, Inc. and David A. Kessler, M.D., to complete the company's new Board of Directors. Dr. Kessler is the former Commissioner of the United States Food and Drug Administration. He served as Commissioner from November 1990 until March 1997. Dr. Kessler was appointed by President Bush and reappointed by President Clinton. He has also served as the Dean of the medical schools at Yale and the University of California, San Francisco. He is a Professor of Pediatrics and Epidemiology and Biostatistics at UCSF.

"For patients afflicted with aggressive metastatic disease, there are few options available to treat either the disease or reduce the immense suffering that prostate cancer causes. Tokai Pharmaceuticals' drug, while still pre-clinical is an extremely promising potential advance in therapy for all forms of prostate cancer, the best emerging opportunity we could find, and we are delighted to have the opportunity to join Tokai's team" said Campbell Murray.

"Tokai's compound, with which we expect to treat our first patient later this year, is the most watched preclinical asset in prostate cancer right now-as far as we can tell," said Harrison. "We are gratified to be able to mount such a top-notch and dedicated team-management, board and advisors-all of whom hope to bring this compound forward to alleviate suffering and to provide more high quality life for men with prostate cancer."

About Tokai Pharmaceuticals, Inc.

Tokai Pharmaceuticals is a biopharmaceutical company based in Cambridge, Massachusetts that is developing a novel therapy for the treatment of advanced prostate cancer. Tokai's proprietary compound targets three mechanisms that the cancer cell uses to avoid currently available therapies. For more information please visit www.tokaipharma.com.

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