

VIAMET PHARMACEUTICALS SECURES \$18 MILLION FINANCING

COMPANY TO ADVANCE DEVELOPMENT OF NOVEL METALLOENZYME INHIBITORS AND PROPRIETARY METALLOPHILE™ TECHNOLOGY PLATFORM

July 7, 2009, Research Triangle Park, North Carolina – Viamet Pharmaceuticals, Inc. announced today that it has secured \$18 million in a Series B financing to accelerate the development of its novel metalloenzyme inhibitors and to advance its Metallophile™ Technology platform. The proprietary Metallophile™ Technology is based on Viamet’s world-class expertise in bioinorganic chemistry and metalloenzymes and allows Viamet to rapidly and cost-effectively generate “best-in-class”, novel compounds by optimizing the metal-binding component of existing metalloenzyme inhibitors. The investment was led by the Novartis Option Fund and Lilly Ventures and also included Viamet’s existing investors Intersouth Partners, Hatteras Venture Partners, Lurie Investment Fund, and Astellas Venture Management. As part of the closing of the financing, Lauren Silverman, Ph.D., Managing Director of the Novartis Option Fund and Ed Torres, Managing Director, Lilly Ventures, have joined Viamet’s board of directors.

“We are very pleased that the Novartis Option Fund and Lilly Ventures have elected to invest in Viamet. Their interest in our pipeline programs and Metallophile™ Technology is truly gratifying,” said Robert Schotzinger, M.D., Ph.D., President and Chief Executive Officer of Viamet. “Both the Novartis Option Fund and Lilly Ventures share a common vision with us and our current investors that the Metallophile™ Technology platform will significantly improve many existing inhibitors of key metalloenzymes through enhanced safety, efficacy and pharmacokinetics.”

Lauren Silverman, Ph.D. commented, “We believe that Viamet’s Metallophile™ Technology has the potential to dramatically improve the selectivity of existing metalloenzyme inhibitors leading to reduced off-target toxicities and improvements in the therapeutic index of this important class of drugs. The strength of the technology and team at Viamet was particularly attractive to us and we are excited to be part of their effort moving forward.”

Ed Torres added, “Metalloenzymes are well-recognized targets for therapeutic intervention. Viamet’s Metallophile™ Technology represents a paradigm shift that has the potential to deliver markedly improved inhibitors of this large and commercially validated class of enzymes. Lilly Ventures invests in companies with promising technologies that have the potential to generate multiple, “best-in-class” products and we believe that Viamet represents just such an opportunity.”

About Viamet Pharmaceuticals, Inc. (www.viamet.com)

Viamet discovers and develops novel inhibitors of key metalloenzymes via an innovative and proprietary metal-binding approach, the Metallophile™ Technology. Viamet's disruptive Metallophile™ Technology is based on its world-class expertise in bioinorganic chemistry and metalloenzymes and allows Viamet to identify validated metalloenzyme targets with high therapeutic and commercial potential, leverage existing metalloenzyme inhibitors as the basis for its novel analogs, and rapidly and cost-effectively generate superior compounds by optimizing the metal-binding component of existing inhibitors. Viamet is based in the Research Triangle Park region of North Carolina.

About the Novartis Option Fund (www.venturefund.novartis.com)

The Novartis Option Fund is a \$200 million fund that is part of the Novartis Venture Funds. Established in 1996, the Novartis Venture Funds currently manage over \$650 million in committed capital and is invested in more than 50 private companies. The objective of the Novartis Option Fund is to seed innovative companies through initial and follow on investments. The initial investment is coupled with an option to a specific therapeutic program providing early validation for the company's technology by a larger pharmaceutical partner. The Novartis Venture Funds' team of eight investment professionals located in Basel, Switzerland and Cambridge, Massachusetts, brings together extensive expertise in the biotech and pharmaceutical industry and venture capital.

About Lilly Ventures (www.lillyventures.com)

Lilly Ventures is a venture capital subsidiary of Eli Lilly and Company and manages \$200 million in committed capital, investing in start-up biopharmaceutical and medical technology companies in early through expansion stage investments. The primary goal of Lilly Ventures is to facilitate the success of companies with innovative technologies by providing both financial and intellectual resources to accelerate the management teams' path to success.

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