



<http://www.endocyte.com>

December 21, 2007

NEWS RELEASE

Endocyte Announces License Agreement with R&D-Biopharmaceuticals for the Development of Targeted Tubulysin Chemotherapeutic Agents

WEST LAFAYETTE, Ind. – December 21, 2007 – Endocyte, Inc. announced today it has entered into an exclusive license agreement with R&D Biopharmaceuticals for the use of tubulysin anticancer agents with Endocyte's proprietary drug conjugate platform. Tubulysins are a new class of natural, highly potent investigational anticancer agents shown to destabilize microtubules and induce cell death. The agreement resulted from an existing research collaboration between the two companies to develop folate-tubulysin conjugates for the treatment of cancer.

"We are very pleased to gain access to tubulysin through this agreement," said Chris Leamon, Ph.D., Vice President of Research and Development at Endocyte. "This ultra-potent compound has shown promise in pre-clinical work when targeted with the specificity our technology enables."

Under the terms of the agreement, Endocyte will be responsible for all development and commercialization of tubulysin-containing conjugates. R&D Biopharmaceuticals will provide support during the research and development process.

About Endocyte, Inc.

Endocyte, Inc., located in West Lafayette, Ind., uses an advanced targeting technology that makes it possible to develop custom guidance systems for drugs. The technology is designed to make drugs more effective by targeting them directly to receptors found on diseased cells. With improved targeting, Endocyte plans to develop new therapies using proven powerful drugs that are currently not widely used due to dose limiting toxicities. With the increased specificity afforded by Endocyte's patented technology, these drugs could be dosed for maximum efficacy, but with a significant reduction in side effects.

Endocyte is currently testing four agents in clinical trials: EC20, a targeted diagnostic imaging agent used to identify patients likely to respond to the therapy; EC145, a targeted chemotherapeutic agent in phase 2 studies for patients with advanced ovarian and non small cell lung cancers; EC17, a targeted immunotherapy in a phase 2 study of advanced kidney cancer; and EC0225, a chemotherapeutic agent targeting two drugs currently in a phase 1 clinical study. In addition, Endocyte has established a collaborative development program with Bristol-Myers Squibb.

For further information, visit <http://www.endocyte.com>.

This press release contains "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and involve significant risks and uncertainties that may cause results to differ materially from those set forth in the statements. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise.

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