



Napo Pharmaceuticals, Inc
("Napo" or "the Company")

**Napo Announces Appointment of Neelam Sekhri Feachem as
Senior Vice President, Global Access & Alliances**

**Promotions of Steven R. King, Ph.D. to Senior Vice President, Sustainable
Supply, Ethnobotanical Research and Intellectual Property and
Charles O. Thompson to Senior Vice President, Finance & Chief Financial
Officer**

San Francisco, California, 28 March 2011 – Napo Pharmaceuticals, Inc., which focuses on the development and commercialization of proprietary pharmaceuticals for the global marketplace in collaboration with local partners, is pleased to announce today that Neelam Sekhri Feachem has joined the Company as Senior Vice President, Global Access and Alliances. Lady Feachem will work with Napo's commercial partners, international NGO's, donors and others in the global health community to ensure rapid and affordable access to Napo's unique products. She will also be responsible for developing and managing alliances for Napo, including with its global licensees.

Lady Feachem was previously Co-Founder and Chief Executive Officer of the Healthcare Redesign Group, a consultancy firm specializing in health financing and health systems reform world-wide. She has served as health financing and policy advisor at the World Health Organization; and for fourteen years worked with Kaiser Permanente in a variety of roles including Assistant Regional Controller for the Northern California region, and Director of Management Continuity and Organizational Development. Lady Feachem serves as faculty for University of California-Berkeley, Global Health Leadership Forum. She is a current Board member of INMED Partnerships for Children, and has held various Board positions including the Commercial Advisory Board of the British National Health Service, the Working Group on Private Insurance for the Organization for Economic Development and Cooperation (OECD), and the Board of Directors of the Alameda County Medical Center.

Her recent publications include: A Risky Business: Saving Money and Improving Global Health Through Better Demand Forecasts; Private Insurance: Implications for Developing Countries; Getting More for their Money: A comparison of the NHS and Kaiser Permanente; Cross-Border Health Insurance: An Overview of Mexico and the United States.

"I am delighted to be working with such a dedicated team, whose mission and goals I so strongly share," said Neelam. "Napo is unique in its focus on ensuring affordable global access to its first in class anti-diarrheal product in all parts of the world at the same time as in western markets. I

look forward to working with Napo's partners and international organizations, in making these life-saving treatments available to all those in need."

Lisa A. Conte, CEO of Napo commented: "Neelam is a spectacular addition to the Napo team. Her experience, contacts, and understanding of the pathways by which products gain acceptance and distribution in the global health community will guide us through these uncharted waters of bringing crofelemer to global populations simultaneously and in collaboration with our global commercial partners. One of her high priorities will be to focus on the pediatric development plan for the acceleration of an FDA-approved pediatric product appropriate for compassionate distribution to patients in resource-constrained settings."

Napo also announces two significant promotions. Steven R. King, Ph.D. becomes Senior Vice President, Sustainable Supply, Ethnobotanical Research and Intellectual Property. Dr. King is a co-founder of Napo and developed Napo's supply chain of sustainably-harvested raw material sourced in the Amazon Basin, in accordance with fair-trade work practices. He has also been instrumental in the development of Napo's intellectual property portfolio. Charles O. Thompson becomes Senior Vice President, Finance and Chief Financial Officer. Mr. Thomson has been with Napo since its inception. He also leads governance and financial compliance of Napo's international subsidiaries, and management of controls that support public listing.

About Crofelemer

Napo's proprietary patented gastrointestinal compound, crofelemer, is a first-in-class anti-secretory agent extracted from *Croton lechleri*, a medicinal plant sustainably harvested under fair trade working conditions from South America. Crofelemer is in various stages of clinical development for four distinct indications:

1. Crofelemer for HIV-related diarrhea (CRO-HIV), completed Phase 3; highly significant data recently released, NDA filing targeted for mid-2011.
2. Crofelemer for diarrhea predominant irritable bowel syndrome (CRO-IBS), Phase 2
3. Crofelemer for acute infectious/watery diarrhea (including cholera), (CRO-ID), Phase 2
4. Crofelemer for pediatric diarrhea (CRO-PED), Phase 1

The FDA has granted fast track status to crofelemer development for IBS- and HIV-related indications.

Pediatric Applications for Crofelemer

Diarrhea is the second largest killer of children globally. Dehydration from watery diarrhea causes death in approximately two million children under age 5 each year, and measurable morbidity in hundreds of millions more. Napo estimates that pediatric diarrhea is the largest market opportunity and need in developing and emerging markets. Napo has established a global advisory board of key opinion leaders to advise Napo in its development plans for the pediatric indication of crofelemer. In addition to its focus on the growing private sector of emerging markets, Napo has formed alliances with Direct Relief International and others to make crofelemer accessible to every child in need. This program is recognized as a Clinton Global Initiative.

About Napo Pharmaceuticals, Inc.

Napo Pharmaceuticals, Inc. focuses on the development and commercialization of proprietary pharmaceuticals for the global marketplace in collaboration with local partners. The company seeks partners in both traditional high-value markets as well as in the higher volume business models of emerging and developing economies. Napo was founded in November 2001 and is based in San Francisco, Calif., with a subsidiary in Mumbai, India.

In addition to crofelemer, Napo holds exclusive worldwide rights to novel small-molecule potential second-generation anti-secretory agents, which have been licensed to the company by the Regents of the University of California, and are the subject of NIAID funding. Napo is developing an early clinical stage/ready for Phase 2 product, NP-500, for the treatment of insulin-resistant diseases of Type II diabetes and metabolic syndrome. Napo has a library of approximately 2,300 medicinal plants.

Napo's discovery process leverages the knowledge of traditional healers, or shamans, working in rain forest areas. The company provides benefit sharing to the cultures with which it works through a non-profit it established called the Healing Forest Conservancy, devoted to recognizing the intellectual contributions of indigenous knowledge, the conservation of biological diversity, indigenous cultures, and the basic human rights of those communities.

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