



PRESS RELEASE

iCo Therapeutics Announces First Quarter 2010 Financial Results

For Immediate Release

May 26, 2010

VANCOUVER, Canada — iCo Therapeutics Inc. (TSX-V: ICO) (the “Company”) today reported operational and financial results for the first quarter ending March 31, 2010. Amounts, unless specified otherwise, are expressed in Canadian dollars and in accordance with Canadian Generally Accepted Accounting Principles (Canadian GAAP).

Q1 2010 Operating Highlights

Corporate

- In January and February 2010, 2,701,875 outstanding warrants (the “Warrants”) were exercised for total gross proceeds of \$810,563. The Warrants were issued pursuant to a private placement completed by the Company which closed in two tranches on January 30, 2009 and February 9, 2009 respectively. The Warrants were exercisable at \$0.30 for a period of twelve months from closing of the private placement.

iCo- 007

- The final patient of the fourth cohort completed their final follow up clinical visit;
- iCo continued with planning for a Phase II study program for iCo-007;
- The iCo-007 program was presented on February 20, 2010 at Angiogenesis 2010: Clinical Trials held in Miami, Florida.

Subsequent Events

On May 17, 2010, the Company announced the results from the Phase I trial for iCo-007 with the trial meeting its primary endpoint.

Intravitreal injections of iCo-007 were well tolerated with a good safety profile, ultimately progressing to the highest dose of 1000 ug based on positive safety evaluation committee meetings two months post each dosing level. Analysis of blood plasma in

patients demonstrated that iCo-007 was not detectable in the blood plasma with any of the doses used in the Phase I trial. There were signs of biological activity in responsive patients at 24 weeks with a reduction of retinal thickness ranging between 149 and 743 microns (and 115 to 743 microns if one additional patient followed only to week 18 is included). Mean change in retinal thickness for all patients completing the 24 week follow-up (12 of 15 patients) was minus 169 microns (or 40% reduction of excess retinal thickness), a positive trend. In a number of subjects there was a transient increase in retinal edema preceding biological effect. Approximately 69% of patients completing a 24 week follow up (13 of 15 patients) had stable or improved vision, defined as -5 letters or better compared to baseline and 23% of patients experienced greater than or equal to 5 letters of visual improvement. The highest dose seemed to show a smaller biological effect than lower doses. The first three doses appeared to display some dose-related biological effect, warranting further exploration of dosing and treatment regimen in a Phase II clinical trial.

Q1 2010 Financial Highlights

The Company incurred a net and comprehensive loss of \$828,888 for the three months ended March 31, 2010 compared to a net and comprehensive loss of \$585,422 for the three months ended March 31 2009, representing an increase of approximately \$243,466. The increase in the net and comprehensive loss was principally caused by an increase in stock-based compensation and an overall increase in both research and development expenses and general and administrative expenses.

Interest income for the three months ended March 31, 2010 was \$6,870, compared to \$1,627 for the three month period ending March 31, 2009, resulting in an increase of \$5,243.

Research and development expenses were \$407,130 for the three months ended March 31, 2010 compared to \$311,535 for the three months ended March 31, 2009, representing an increase of \$95,595. This increase in the three months ending March 31, 2010 compared to the three months ending March 31, 2009 was attributable to an increase in personnel salaries and research and development. Research and development expenses for three months ended March 31, 2010 primarily consisted of salaries, consultants' fees, contract research organization expenses related to the Phase I clinical trial for iCo-007 and research expenses related to pre-clinical studies for iCo-009.

For the three months ended March 31, 2010 general and administrative expenses were \$236,918 compared to \$193,644 for the three months ending March 31, 2009, representing an increase of \$43,274. The increases were attributable to a modest increase in salaries and professional fees.

Amortization for the three months ended March 31, 2010 was \$29,554 compared to amortization of \$29,132 for the three months ended March 31, 2009, an increase of \$422.

Foreign exchange loss for the three months ended March 31, 2010 was \$1,911 compared to foreign exchange loss of \$18,152 for the same period in 2009, representing a decrease of \$16,241. The decrease reflects fluctuations in the exchange rate for U.S. dollars.

Stock based compensation for the three months ended March 31, 2010 was \$160,245 compared to \$34,586 for the three months ended March 31, 2009, an increase of \$125,659. This increase was primarily due to the grant of directors and employee stock options which took place on December 29, 2009.

Liquidity and Outstanding Share Capital

As at March 31, 2010, the Company had cash and cash equivalents of \$4,057,037 compared to \$3,896,065 as at December 31, 2009. As at March 31, 2010, the Company had working capital of \$3,809,723 compared to \$3,630,719 as at December 31, 2009.

As at May 26, 2010, the Company had an unlimited number of authorized common shares with 41,057,301 common shares issued and outstanding.

For complete financial results, please see our filings at www.sedar.com.

About iCo Therapeutics

iCo Therapeutics Inc. is a Vancouver-based reprofiling company focused on redosing or reformulating drugs with clinical history for new or expanded indications. iCo has exclusive worldwide rights to three products: iCo-007, in Phase I for the treatment of DME; iCo-008, a product with Phase II clinical history to be developed for severe ocular allergies and age related macular degeneration; and iCo-009, an oral formulation of Amphotericin B for sight and life-threatening diseases. iCo-009 also represents a new drug delivery technology with the potential to reprofile other parenteral administered drugs to the oral route of administration. iCo was recently awarded a Gold Leaf Award as the Early Stage Company of the Year from BIOTEC Canada and trades on the TSX Venture Exchange under the symbol "ICO". For more information, visit the Company website at: www.icotherapeutics.com

No regulatory authority has approved or disapproved the content of this release. The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

Forward Looking Statements

Certain statements included in this press release may be considered forward-looking. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements, and therefore these statements should not be read as guarantees of future performance or results. All forward-looking statements are based on iCo Therapeutics' current beliefs as well as assumptions made by and information currently available to iCo Therapeutics and relate to, among other things, anticipated financial performance, business prospects, strategies, regulatory developments, market acceptance and future commitments. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Due to risks and uncertainties, including the risks and uncertainties identified by iCo Therapeutics in its public securities filings; actual events may

differ materially from current expectations. iCo Therapeutics disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Finance Contact:

Mr. John Meekison, CFO

604.602.9414 x 224