



A.P. Pharma Announces Stock Option Grant

January 17, 2008

REDWOOD CITY, Calif.--(BUSINESS WIRE)--Jan. 16, 2008--A.P. Pharma, Inc. (NASDAQ:APPA), a specialty pharmaceuticals company, today announced it has made an option grant for 30,000 shares at an exercise price of \$1.37 (the closing price as of the date of the grant) to a new employee, as an inducement to the individual entering into employment with the company, under the 2000 Non-Qualified Stock Option Plan. The options have a 10 year life and vest over a four year period.

About A.P. Pharma

A.P. Pharma is a specialty pharmaceutical company focused on the development of ethical (prescription) pharmaceuticals utilizing its proprietary polymer-based drug delivery systems. The Company's primary focus is the development and commercialization of its bioerodible injectable and implantable systems under the trade name Biochronomer(TM). Initial target areas of application for the Company's drug delivery technology include anti-nausea, pain management, anti-inflammation and DNA/RNAi applications. For further information visit the Company's web site at www.appharma.com.

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SOURCE: A.P. Pharma, Inc.