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**ARCA DISCOVERY COMPLETES \$18 MILLION EQUITY FINANCING TO
ADVANCE TARGETED CARDIOVASCULAR THERAPIES AND SUBMIT LEAD
PRODUCT FOR APPROVAL THIS YEAR**

Denver, Colo., June 11, 2007 – ARCA Discovery Inc., a privately held biopharmaceutical company today announced that it has closed an \$18 million Series B preferred stock financing. The proceeds from the financing will be used in part to file for U.S. approval and launch its lead investigational product bucindolol, a next-generation beta-blocker, vasodilator for heart failure and other indications. The financing was led by Skyline Ventures together with InterWest Partners as new investors with participation from existing investors Atlas Ventures, Boulder Ventures and the Peierls Foundation. The company completed a \$15 million Series A round in February of 2006.

ARCA plans to submit a New Drug Application (NDA) in 2007 to the U.S. Food and Drug Administration for approval of bucindolol for the treatment of heart failure patients. A patient's response to bucindolol appears to be affected by genetic variations in two cardiovascular receptors. ARCA plans to seek approval of the drug with a genetic test to assist physicians in determining whether bucindolol is an appropriate therapy for their heart failure patients. The Company has exclusive, worldwide rights to bucindolol.

“We are delighted to have great investors like Skyline and InterWest join us as partners in ARCA,” said Michael R. Bristow, M.D., Ph.D., founder, chairman and chief science and medical officer of Arca Discovery. “We believe that bucindolol therapy, using a targeted approach based on genetic markers, can help change the way heart failure is treated, and introduce a more personalized approach to treating cardiovascular disease in general. This new financing will help us complete the regulatory development of bucindolol and consider other opportunities for expanding the ARCA pipeline.”

Bucindolol is a next-generation beta-blocker, vasodilator for heart failure and other indications, which promises to be the first genetically-targeted cardiovascular drug. Extensive Phase 3 data show that bucindolol is likely to be an effective and well-tolerated therapy for many heart failure patients that can be targeted to those patients most likely to respond favorably – thereby overcoming a major problem with current treatment approaches. A large substudy from a Phase 3 trial published in the July 25, 2006 edition of the *Proceedings of the National Academy of Sciences* shows that a common genetic variation in the beta-1 adrenergic receptor may help doctors identify heart failure patients who may benefit most from bucindolol. Data presented at the 2005 American Heart Association Meeting from the same DNA substudy demonstrates further enhancement of bucindolol's efficacy by targeting both the beta-1 variant and a variant of the alpha-2c-adrenergic receptor.

“With more than 400,000 new cases of heart failure diagnosed annually in the United States, and continued high rates of morbidity and mortality with current treatments, there is much room for new and improved therapies in this area,” said David G. Lowe, Ph.D., Managing Director, Skyline Ventures. “We believe that ARCA is well positioned to bring personalized therapy to the cardiovascular field, and we are excited to join the ARCA team in this important endeavor.”

“We believe that ARCA’s novel approach to development of targeted medicines based on genetic variations that affect patient response will lead to a promising pipeline of product candidates,” said Linda Grais, M.D., Executive in Residence, Interwest Partners. “ARCA’s bucindolol and other products could impact millions of patients worldwide suffering from heart failure and other forms of debilitating cardiovascular disease.”

“ARCA's management team has created significant value in a very capital efficient manner,” said Jean-Francois Formela, M.D., ARCA Board Member and Senior Partner at Atlas Venture. “We anticipate that the addition of Skyline and Interwest completes the syndicate and this financing should enable the company to bring bucindolol to market.”

About ARCA Discovery, Inc.

ARCA Discovery, Inc. is a privately held biopharmaceutical company developing genetically-targeted therapies for heart failure and other cardiovascular diseases. The Company has conducted private financings totaling over \$34 million, including a Series A Preferred financing in February 2006 led by Atlas Venture, Boulder Ventures and Pequot Capital Management and a Series B Preferred financing in May 2007 led by Skyline Ventures and InterWest Partners. The Company’s first product is bucindolol, a next-generation beta-blocker, vasodilator for advanced heart failure and other indications, that promises to be the first genetically targeted cardiovascular drug. Bucindolol has extensive Phase 3 data and a unique Phase 3 DNA sub-study. Using this sub-study, ARCA’s founding scientists have confirmed genetic polymorphisms that interact with bucindolol's unique pharmacology to modify patient response. ARCA is planning to submit a New Drug Application to the U.S. Food and Drug Administration for bucindolol in 2007.