



For Immediate Release

A.P. Pharma Regains Compliance with Nasdaq Minimum Bid Price Rule

REDWOOD CITY, Calif. – January 11, 2010 – A.P. Pharma, Inc. (Nasdaq: APPA), a specialty pharmaceutical company, today announced that, on January 7, 2010, it received notice from the Nasdaq Stock Market (Nasdaq) confirming that the Company has regained compliance with the \$1.00 minimum closing bid price requirement for continued listing on The Nasdaq Capital Market under Listing Rule 5450(a)(1). Pursuant to Nasdaq's rules, the Company was required to achieve a closing bid price of at least \$1.00 per share for 10 consecutive trading days which was completed on January 4, 2010.

About A.P. Pharma

A.P. Pharma is a specialty pharmaceutical company developing products using its proprietary Biochronomer™ polymer-based drug delivery technology. The Company's primary focus is on its lead product candidate, APF530, for the prevention of chemotherapy-induced nausea and vomiting (CINV). The New Drug Application (NDA) for APF530 was submitted to the U.S. Food and Drug Administration (FDA) in May 2009 and accepted for review in July 2009, at which time the FDA set a Prescription Drug User Fee Act (PDUFA) date of March 18, 2010. The Company has additional clinical and preclinical stage programs in the area of pain management, all of which utilize its bioerodible injectable and implantable delivery systems. For further information, visit the Company's web site at www.appharma.com.

A.P. Pharma's Forward-looking Statements

This news release contains "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks and uncertainties, including uncertainties associated with timely development, approval, launch and acceptance of new products, satisfactory completion of clinical studies, establishment of new corporate alliances, progress in research and development programs and other risks and uncertainties identified in the Company's filings with the Securities and Exchange Commission. We caution investors that forward-looking statements reflect our analysis only on their stated date. We do not intend to update them except as required by law.

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