

5 January 2012

**ValiRx Plc**  
(*“ValiRx” or the “Company”*)

**Acquisition of Finnish biomarkers business by ValiFinn  
together with associated patents and Intellectual Property**

ValiRx Plc (AIM: VAL), a life science company with a focus on cancer diagnostics and therapeutics for personalised medicine, is pleased to announce that ValiFinn Oy, its wholly owned subsidiary, has acquired from Pharmatest Services Oy (*“Pharmatest”*) of Oulu, Finland, its biomarkers business unit together with 5 families of patents and patent applications and related intellectual property (*“IP”*).

The consideration is a payment of €75,000 and the allotment of 15,000,000 shares in ValiRx Plc, credited as fully paid. There is also an obligation to pay a royalty to Pharmatest from future revenues relating to the IP and for the life of the patents.

The biomarkers business unit comes with a revenue stream, which is derived from the provision of contract research services to pharmaceutical companies who are utilising its library of biomarkers and it will form a new division at ValiFinn.

Strategically, the acquisition will enhance the Group’s R&D capability, as the specialist biomarker expertise within the unit is leveraged to advance in-house the development of companion biomarker diagnostics to complement ValiRx’s therapeutics, its existing intellectual property and companion diagnostic activities.

Epigenomics is a rapidly advancing field and pairing a prognostic and/or predictive biomarker diagnostic with a targeted drug is emerging as a key part of personalised medicine, particularly in cancer patients. The Directors of ValiRx believe therefore that the IP acquired can add considerable value to the Group and they look forward to the biomarker unit’s involvement in ValiRx’s forthcoming clinical trials, and to benefiting from the favourable environment for regulated medical and clinical studies in the Nordic region.

As reported on 18 August 2011, ValiFinn will be conducting in Finland the management of certain aspects of ValiRx’s late preclinical work on its compound, VAL201, to develop a treatment for hormone induced refractory prostate cancer among other conditions.

**Issue of Equity**

In relation to the share based payment described above the Company has issued 15,000,000 new ordinary shares at a price of 0.52 pence per share. The new ordinary shares will rank pari passu with the existing ordinary shares. Application for the new ordinary shares has been made to the London Stock Exchange and trading in these shares is expected to occur on or around 10 January 2012.

Following the issue of equity, the share capital of the company will comprise 1,059,562,609 ordinary shares of 0.1 pence each.

**Dr Satu Vainikka, CEO, commented:** *"I am delighted to welcome our new colleagues to the Group and am pleased to see ValiRx moving into the fast developing biomarkers' space. As is detailed below, biomarkers are crucial for detecting cancer at an early stage and they are also key in optimising therapeutic strategy and monitoring therapeutic success. It is a market that is rapidly growing in size with the potential benefit for patients being significant, in addition to potential cost savings derived from across the pharmaceutical industry. I look forward to our late pre-clinical work progressing to the stage whereby value in both this newly acquired IP and the VAL201 compound is further crystalised".*

- ENDS -

**For more information, please contact:**

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## **Notes for Editors**

**Background on Biomarkers (Sources: BCC Research and researchandmarkets 2010/2011)**

Biomarkers in Cancer Research 2010 stated that the use of Biomarkers in Oncology Therapeutics is one of the biggest application areas with main emphasis on predictive and personalized medicine.

The global cancer biomarkers market for 2007 was estimated to be \$3.6 billion and is expected to grow at a CAGR (Compounded Annual Growth Rate) of 6.3% to reach \$6.3 billion by 2016.

This growth is primarily attributed to the rise in the number of biomarker tests in a wide variety of Cancer types.

In the future, the growth of personalized medicines and the strong support from regulatory agencies such as the FDA will be the two major factors that will drive the demand for biomarkers, particularly in cancer research.

Personalized medicines are gaining popularity due to their ability to provide customized treatment to patients based on their genetic as well as medical profile. Since biomarkers help in predicting patient response to a compound, personalized medicine are increasingly using biomarkers to identify the patient population set that is more likely to respond to a particular drug therapy. Personalized medicines are also increasingly being used in targeted cancer therapies. Thus, going forward, as personalized medicines gain more importance and popularity, the demand for biomarkers is also expected to increase.

#### **ValiRx Plc**

ValiRx Plc is a biopharmaceutical company developing novel technologies and products in oncology therapeutics and diagnostics. The product focus is in the epigenomic analysis and treatment of cancer, but the technologies can be applied to other fields as well, such as neurology and inflammatory diseases.

The Company listed on AIM in October 2006 and is creating a portfolio of innovative products through investment in specific development projects. It actively manages projects within this portfolio as a trading company and is not an investment vehicle. The ValiRx business model spreads the risks of life science technology developments by minimising financial exposure and running a set of projects to defined commercial endpoints. This maximises returns to shareholders by adding value at the earlier stages where value increases per investment unit are the greatest.

The Company operates through the following divisional companies:

- ValiMedix is the sales and distribution division of ValiRx
- ValiPharma is the therapeutics division with two embedded technologies primarily directed at the treatment of cancers. Of particular note is GeneICE, ValiRx's technology for controlling rebellious genes, which was awarded a Eurostars grant to the value of €1.2 million to fund the development of the GeneICE products through preclinical stages in cancer treatments