CEO's welcome

I hope everyone has had the opportunity to enjoy the summer so far.

This August answers session is intended to be the last before the VAL201 headline results are released later this quarter. I encourage readers to refresh your memories by glancing through our Scientific Program Review, provided on 19 May 2020 at https://www.valirx.com/wp-content/uploads/2020/05/Valirx-Scientific-Program-Review-19th-May-2020.pdf to be familiar with the trial endpoints, and an up to date summary of the trial.

I'm anticipating that there will be additional questions after the headline results are released, and will endeavour to respond as promptly as possible.

The traditionally quiet period over the summer break has been a bit different this year, but nevertheless, we've been taking advantage of this time to continue to assess new projects for potential in-licensing, and also starting to work on an updated website to further improve communications and transparency between the Company and Shareholders.

Best wishes,

Suzy

Dr Suzanne Dilly
Chief Executive Officer
ValiRx PLC

Science Questions

Having recently purchased shares in your company. I just wanted to see if there was any progression or news regarding clinical trials of your cancer drugs please VAL201 etc.... **I am keen to know what the next steps are, date progressions and whether the new clinical data shows good results.**
I am keen to explore your up to date findings, as most information on line is dated and relates to years ago or at least 7 months old.
Please refer to the announcement of 19 May 2020, and the download detailed https://www.valirx.com/wp-content/uploads/2020/05/Valirx-Scientific-Program-Review-19th-May-2020.pdf. This includes a review of all ValiRx projects. In the pre-AGM statement on 23 July 2020, the Company confirmed that it is on track to release headline results from the VAL201 clinical trial within Q3 2020.
If your current strategy is to acquire pre clinical projects and potential products. Why did you let GeneIce go?
The announcement of 6 July 2020 detailed the Company's strategy to identify preclinical assets to progress towards clinic-ready status. This strategy is supported by stringent assessment criteria to ensure that the most appropriate projects for the Company are selected. These criteria cover both scientific and commercial aspects. On considering the GeneICE technology, the Board concluded that these criteria were not met and there was no advantage to the Company in continuing this programme.
VAL301: Are the trials by the Japanese company preclinical or are they going to do stage 2 trials in humans and if so have they started.
As announced on 1 May 2020, an undisclosed Japanese Pharmaceutical Company has committed to evaluate the activity of VAL301 in preclinical tests to assess the potential application in endometriosis. Additionally, the announcement stated that the Japanese company will investigate proprietary methodologies for delivery of the VAL301 peptide Under the current agreement, all experimental work is preclinical.
When proof of concept for BC201 has been analysed, what are the next steps on trials/safety, etc, and any timescale if possible?
The development plan for BC201 depends partly on the trajectory of the current pandemic situation, with regulatory timescales currently shortened to promote the development of useful treatments. Therefore, the required level of preclinical studies and the timescale are difficult to predict without knowing the future course of the current outbreak.

BC201 - Is the paper published on the theory still just that or are trials ongoing in humans to test the efficacy of BC201 on Covid19
The paper published on BC201 details the scientific basis of the treatment in patients who have been infected with Coronavirus SARS-CoV2. A development plan is being drawn up to test the hypothesis in a preclinical assay.

Corporate and Strategic Matters

If given enough finance would you consider selling 201? 301?
Why not sell off 201 when results come out and focus on women's health – especially in Japan?
The ValiRx strategy is to increase value in projects through preclinical and early clinical development where appropriate, and then seek a partner to continue clinical development. The Company's commercial model is flexible and each partner may provide funding and expertise to develop the project in collaboration with ValiRx, or may license or acquire the asset. As announced on 6 July 2020, under the new strategy ValiRx will seek to add value in preclinical development and to seek partnership funding or divest assets at the clinical stage of development. Included in this announcement was the Board's decision to initially focus on Oncology and Women's Health, which reflects the skillset of our team.
Can the 13p warrants from the placing in May be exercised before the spare price achieves five consecutive days above 15p?
The 13p warrants can be exercised by the warrant holders at any time until either they expire (after 12 months); or the Company uses the "use or lose" accelerator feature of the warrant conditions, which is only possible after the share price closes above 15p for five consecutive days. This accelerator clause provides the Company with the option of notifying the warrant holders that they have a period in which to exercise those warrants and any warrants remaining un-exercised will be cancelled. The activation of this accelerator clause is at the discretion of the Company once the share price criteria have been met.
Are Valirx financially secure?
ValiRx raised £1.35M through a share placing on 23 July 2020. The net proceeds of this will be used to accelerate the implementation of our strategy to incubate early stage therapeutic development projects, as well as to advance the current clinical programs, and for general working capital purposes. As announced on 16 June 2020, the Board has performed cost-cutting exercises in order to ensure greater financial stability.
Perhaps you can clear up the arguments on AVDFN regarding the agreement between Valirx and Physiomics of 2011. Do they have a claim on Valirx?
The terms of the Physiomics agreement regarding VAL201 were notified on 13 September 2011, there have been no additional announcements relating to this, and we currently have no update to provide.

'Valirx agreed a licence with Mystic Pharmaceuticals to give them access to the Valirx's patented technology for a period of five years as set out in the RNS of 28th July, 2017. Clearly, GeneICE was a major part of this licence based on the comment in the RNS 'In particular, ValiRx's GeneICE products could have a significant role to play - especially those GeneICE products against various cancers and metabolic conditions that may be of particular relevance and use in the relevant territories' **In the RNS of 16th June we were advised that the GeneICE project was being terminated. How can the Mystic licence continue if this is the case. Surely we are in breach of the agreed terms of the licence. However, no RNS has been issued to suggest that the Mystic licence is other than continuing. This does not make sense.**
The terms of the Mystic Pharma agreement were notified on 28 July 2017, there have been no additional announcements relating to this, and we currently have no update to provide. That announcement provided examples of projects of potential relevance to Mystic Pharmaceuticals. No commitment to any specific project was defined.