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ValiRx PLC
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("ValiRx", the "Company" or the "Group")

Extension of Collaboration Agreement

London, UK - ValiRx plc (AIM:VAL), a clinical stage drug development company, announces today that it has entered into a new agreement with Physiomics plc ("Physiomics")(AIM:PYC), the oncology consultancy using mathematical models to support the development of cancer treatment regimens and personalised medicine solutions. The new agreement supersedes the agreement between Physiomics and the Group which was announced on 13 September 2011.

Under the terms of the new agreement, ValiRx will benefit from Physiomics' experience in modelling the effects of prostate cancer treatment, as well the use of the latest version of its Virtual Tumour™ technology, which will be applied to derive valuable information from the additional data generated by the completed clinical trial of VAL201. Physiomics will also support ValiRx in modelling the use of the VAL201 peptide in endometriosis (VAL301) and Coronavirus (BC201).

Physiomics has developed a quantitative systems pharmacology approach that uses pre-clinical and clinical data to model the activity of a drug candidate. This data can be used to explore the mechanism of action, disease impact and optimal dosing strategies.

Physiomics will receive a fee (capped at £6m) of 6% of any future net revenues that may be received by ValiRx relating to its commercialisation of VAL201 and its derivatives in any indication, including prostate cancer, endometriosis and treatment for Coronavirus infection. Eligibility for part of this fee will be conditional on completion of an agreed program of work by Physiomics that builds on the work already carried out under the 2011 agreement. This program of work will start on 15 February 2021 and is required to be carried out by 15 November 2021. In recognition of the collaborative nature of this new agreement, Physiomics will also be offered a seat on the ValiRx scientific advisory board.

Dr Suzy Dilly, Chief Executive Officer of ValiRx, commented: "I am pleased to be able to expand our collaboration and the scope of work being carried out by Physiomics. Enhancing the scientific understanding of our results using cutting edge technology ensures we maximise the value of the data we have collected. This will help in the design and execution of future clinical trials and support discussions with potential new partners. We expect that outputs from the application of Physiomics' technology will be incorporated into scientific publications presenting the results from the VAL201 clinical trial."

Dr Jim Millen, Chief Executive Officer of Physiomics, added: "We are delighted to be working once again with ValiRx on a programme of work that replaces and extends that originally agreed in 2011. Since the time of the original agreement, Physiomics has gained significant additional experience in the modelling of prostate and other cancers and we will be aiming to generate new insights which can improve development outcomes."

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014. The Directors of the Company take responsibility for this announcement.

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About ValiRx plc

ValiRx accelerates the development of treatments in oncology and women's health to improve patient lives. We provide the scientific, financial and commercial framework towards enabling rapid translation of innovative science into clinical development.

With our extensive and proven experience in research and drug development, we select and incubate promising novel drug candidates and

guide them through an optimised process of development, from pre-clinical studies to clinic and investor-ready assets.

Integrating science and business
We connect diverse disciplines across scientific, technical and commercial domains, with the aim of achieving a more streamlined, less costly, drug development process. We work closely with our selected collaborators and leverage the combined expertise required for science to advance.

Lead candidates from our portfolio are out-licensed or partnered with investors through ValiRx subsidiary companies for further clinical development and commercialisation. https://www.valirx.com/

About VAL201
VAL201 is a short peptide being studied as a potential treatment for prostate cancer. The peptide structure is inspired by the naturally occurring androgen receptor and is designed to intercept and prevent the binding of the androgen receptor to SRC kinase - an enzyme implicated in cancerous cell growth pathways. By preventing the androgen-mediated activation of SRC kinase, VAL201 can potentially prevent cancerous cell proliferation (or growth) without interfering with other functions of either the androgen receptor or SRC kinase. This precision method, mimicking a natural process, proposes a high specificity of cancer treatment with a lower side effect profile. VAL201 was licensed from CRT (part of CRUK) in 2010 and developed through preclinical development into this clinical trial in patients with advanced prostate cancer. The study was held at University College Hospital (UCLH), London.

About the VAL201-001 clinical trial
The clinical trial: "A Phase I/II, Dose Escalation Study to Assess the Safety and Tolerability of VAL201 in Patients with locally Advanced or Metastatic Prostate Cancer and Other Advanced Solid Tumours" opened to recruitment in December 2014 and closed in January 2020.

Patients were scheduled for treatment of a once weekly injection of VAL201 in 3 week cycles for a maximum of 6 cycles. A total of 12 patients received at least 1 dose of VAL201.

Patients were eligible if they were: Adult men (over the age of 18) with incurable locally advanced or metastatic prostate cancer who had relapsed following radiotherapy treatment, are in 'watchful waiting' or where a policy of intermittent hormone therapy had been decided. Patients were expected to have no or only mild symptoms relating to their prostate cancer. (ClinicalTrials.gov identifier: NCT02280317)

About Prostate Cancer

Around 48,500 men are diagnosed with prostate cancer in the UK each year[1]. In men, it is the most common cancer in the UK. Prostate cancer is most common in older men. On average each year 35 out of 100 (35%) of new cases are in men aged 75 and over.

About VAL301

VAL301 is the use of the VAL201 peptide for the treatment of endometriosis. VAL301 presents an opportunity to suppress hormone-driven cellular growth in the absence of outright hormone suppression. By interrupting only the hormone driven cell growth while sparing the other hormone activities, the infertility and related side effects are expected to be avoided.

Currently in preclinical testing, this theoretical benefit will be looked for in future trials.

Endometriosis is a gynaecological medical condition in which cells from the lining of the uterus (endometrium) appear and grow outside the uterine cavity. This growth fluctuates in a pattern alongside the menstrual cycle, under the influence of female hormones.

These misplaced endometrial-like cells are influenced by hormonal changes and respond in a way that is similar to the cells found inside the uterus; hence symptoms often worsen with the menstrual cycle.

The treatments chosen will depend on symptoms, age, and lifestyle plans, currently centring around pain relief and hormone suppression; the latter leading to potential infertility and bone weakening side effects.

About BC201

BC201 is a combination of the peptide ingredient of VAL201 with complementary active components to dampen this excessive immune response and consequently improve severe symptoms of Covid-19.

The theoretical action of the peptide is two-fold: by blocking the Androgen Receptor mediated activity of SRC Kinase, the peptide is postulated to down-regulate the expression of TMPRSS2 a transmembrane protein believed to be required for Coronavirus cell entry; and by directly dampening the immune response.

About Physiomics

Physiomics plc (AIM: PYC) is an oncology consultancy using mathematical models to support the development of cancer treatment regimens and personalised medicine solutions. The Company's Virtual Tumour™ technology uses computer modelling to predict the effects of cancer drugs and treatments to improve the success rate of drug discovery and development projects while reducing time and cost. The predictive capability of Physiomics' technologies have been confirmed by over 80 projects, involving

over 40 targets and 70 drugs, and has worked with clients such as Merck KGaA, Astellas, Merck & Co and Bicycle Therapeutics.

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting the Company will be those that it anticipates.

Factors that could cause actual results to differ materially from those in the forward-looking statements include risks relating to unanticipated costs, liabilities or delays; failure or delays in research and development programs; the safety and efficacy of the Company's product candidates and the likelihood of clinical data to be positive and of such product candidates to be approved by the applicable regulatory authorities; unanticipated changes relating to competitive factors in the Company's industry; risks relating to the Company's capitalisation, resources and ownership structure, the availability of sufficient resources for company operations and to conduct or continue planned clinical development programs; the outcome of any legal proceedings; risks related to the ability to correctly estimate operating expenses; risks related to the ability to project future cash utilisation and reserves needed for contingent future liabilities and business operations; risks related to the changes in market prices of the Company's ordinary shares; the Company's ability to hire and retain key personnel; changes in law or regulations affecting the Company; international, national or local economic, social or political conditions that could adversely affect the Company and its business; conditions in the credit markets; risks associated with assumptions the Company makes in connection with its critical accounting estimates and other judgments.

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