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ValiRx PLC
06 January 2020

ValiRx Plc
("ValiRx" or the "Company")

Placing, Issue of Warrant & Appointment of Broker

London, UK, 6 *January 2020*: ValiRx Plc (AIM: VAL), a clinical stage biotechnology company, announces that it has raised £200,000 of gross proceeds through the issue of 200,000,000 new ordinary shares at a price of 0.10 pence ("Issue price") per share ("Placing") with new and existing investors and the appointment of ETX Capital Limited ("ETX Capital") as joint broker to the Company with immediate effect.

Use of Proceeds
The net proceeds of the Placing will be used to analyse the Phase I/II clinical trial of VAL201 to treat prostate cancer and associated metastatic conditions and continue the development of ValiRx's pre-clinical VAL301 and VAL101/GeneICE programmes towards the clinic, and for general working capital purposes.

VAL201 - As announced on 16 December 2019, the results from the clinical trial appear, in advance of full analysis, to indicate that the VAL201 compound has a clear impact on patients with prostate cancer. The compound has also shown it is very safe and has a high degree of tolerability, up to a dose that is in excess of the predicted dose and any practical therapeutic concentration.

VAL301 - The Company continues with the pre-clinical development of VAL301, focused on the treatment of endometriosis. Endometriosis represents one of the major causes of female infertility.

VAL401 - Completed its first clinical trial in Q3 2017 as an oral treatment for late-stage non-small cell lung cancer. Data from the completed Phase II clinical trial showed that palliative stage patients could expect to see improvements in symptoms, with the added benefit of improved survival prospects. ValiSeek is currently in discussions with potential partners for starting the next phase of clinical trial.

Appointment of Joint Broker
The Company is pleased to announce the appointment of ETX Capital Limited as the Company's joint broker, with immediate effect.

Issue of Warrant

Each Placing share will carry a warrant to subscribe for one further share at a price of 0.10p per share, exercisable at any time from Admission (as defined below) up to the third year anniversary of Admission. The funds were raised through ETX Capital. As part of their fee arrangement, the Company has agreed to issue to ETX Capital with a warrant over 20,000,000 ordinary shares in the Company, exercisable at any time from Admission (as defined below) at a price of 0.10 pence per share up to the third year anniversary of Admission.

Following the grant, in aggregate, of the 220,000,000 warrants over ordinary shares, the Company will have 290,076,425 warrants over ordinary shares in issue. Of the above cumulative 220,000,000 warrant granted, 140,000,000 warrants over ordinary shares will be exercisable subject to certain shareholder approvals being obtained at an upcoming general meeting of the Company.

Issue of Equity

The 200,000,000 new ordinary shares will, when issued, rank *pari passu* in all respects with the existing ordinary shares of the Company. Application has been made to the London Stock Exchange for the 200,000,000 new ordinary shares to be admitted to trading on AIM ("Admission"). Admission of the 200,000,000 new ordinary shares is expected to occur on or around 10 January 2020.

Following Admission, the Company's enlarged issued share capital will comprise 1,534,827,184 ordinary shares of 0.1p each with voting rights. The Company does not hold any shares in treasury. This figure of 1,534,827,184 may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

Dr Satu Vanikka, CEO of ValiRx Plc, commented:

"With prostate cancer reported this month in an academic study as being the most common cancer in men in the UK and with an estimated 1.3 million new cases of prostate cancer occurring worldwide last year**, it is truly exciting to see VAL201 approaching the conclusion of its Phase I/II first-in-man study."*

"I look forward to regulatory approval of the trial data being speedily reached and the opportunity of potentially demonstrating that VAL201 can address this widespread and often fatal disease in men. We will keep shareholders updated on progress."

Sources:

*https://www.bristol.ac.uk/news/2019/december/prostate-cancer.html

** Global cancer statistics 2018: GLOBOCAN estimates of incidence and mortality worldwide for 36 cancers in 185 countries by Bray F, Ferlay J, Soerjomataram I, Siegel RL, Torre LA, Jemal A in *CA: A Cancer Journal for Clinicians*

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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Notes for Editors

About ValiRx

ValiRx is a biotechnology oncology focused company specialising in developing novel treatments for cancer and associated biomarkers. It aims to make a significant contribution in "precision" medicine and science, namely to engineer a breakthrough into human health and well-being, through the early detection of cancer and its therapeutic intervention.

The Company's business model focuses on out-licensing therapeutic candidates early in the development process. By aiming for early-stage value creation, the company reduces risk considerably while increasing the potential for realising value. The group is already in licensing discussions with major players in the oncology field.

ValiRx's two classes of drugs in development, which each have the potential for meeting hitherto unmet medical needs by existing methods, have worldwide patent filings and agreed commercial rights. They originate or derive from World class institutions, such as Cancer Research UK and Imperial College.

Until recently, cancer treatments relied on non-specific agents, such as chemotherapy. With the development of target-based agents, primed to attack cancer cells only, less toxic and more effective treatments are now possible. New drugs in this group-such as those in ValiRx's pipeline-promise to greatly improve outcomes for cancer patients.

The Company listed on the AIM Market of the London Stock Exchange in October 2006 and trades under the ticker symbol: VAL.

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