RNS Number : 6690Z
ValiRx PLC
14 January 2020

VALIRX PLC

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

UPDATE - VALISEEK

London, UK., *14 January 2020*: ValiRx Plc (AIM: VAL), the clinical stage biotechnology company, provides the following update on its subsidiary joint venture, ValiSeek, and its cancer therapeutic, VAL401.

ValiSeek and ValiRx's joint venture partner Tangent Reprofiling Limited (a member of the SEEK group) ("Tangent") have entered into a letter of intent (the "LOI") with Black Cat Bio Limited ("Black Cat"), a newly incorporated special purpose vehicle to raise up to £5 million towards commercialising VAL 401 in order to progress VAL401 through the next clinical trial. Black Cat has entered into, and will fund, a service agreement with Zenith Partners, a private investment, corporate advisory and business transformation enterprise, to source the funding.

ValiSeek currently has a worldwide exclusive licence granted from Tangent to progress VAL401 to commercialisation.

ValiSeek is a 55.5% subsidiary joint venture of ValiRx with the objective to develop VAL401 in the treatment of late-stage non-small cell lung cancer and potentially other indications. Further information on VAL401 is set out below.

The LOI provides that, subject to Black Cat raising a minimum amount (details of which are commercially sensitive), ValiSeek will revoke its license for the VAL401 patent portfolio and Tangent would execute a new IP licence with Black Cat and Black Cat would be responsible for funding and executing future clinical development of VAL401.

It is proposed (subject to a successful fund raise) that ValiSeek would enter into an agreement with its shareholders to undertake a corporate reorganisation whereby existing shareholders in ValiSeek would become shareholders in Black Cat.

Therefore, following any reorganisation, ValiRx would hold a proportional shareholding directly in Black Cat and would benefit accordingly from future commercial upside.

Black Cat would utilise the co-financing agreements outlined in the Letters of Intent announced on 26 March 2019 in order to deliver the clinical trial in an effective and cost

efficient manner.

About VAL401
VAL401 is the reformulation of a generic drug that has over 20 years of clinical use for treatment of a chronic non-oncology disease in an oral capsule. The re-formulation allows the drug to access previously unexploited anti-cancer activity. VAL401 has completed a clinical Phase II trial for the treatment of late-stage non- small cell lung cancer with data from the completed trial indicating a palliative effect and an improvement of quality of life in the patients treated.

Dr Satu Vainikka, CEO of ValiRx, commented: *"I am pleased to be able to announce that ValiSeek has come to an agreement with Black Cat to secure the future development of VAL401, to the advantage of all parties".*

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

***** ENDS *****

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Notes for Editors

About ValiSeek

ValiSeek Limited ("ValiSeek") is a joint venture ("JV") company between ValiRx Plc and Tangent Reprofiling Limited, part of the SEEK Group. ValiSeek was formed to progress VAL401, the anti-cancer compound developed by ValiSeek, for late stage non-small cell lung adenocarcinoma, through preclinical development and to the end of Phase II clinical trials for the treatment of lung cancer and other oncology indications.

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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