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ValiRx PLC
01 April 2020

1 April 2020

ValiRx Plc

("ValiRx" or the "Company")

Conditional Placing and Proposed Appointment of Director and Change of Broker

London, UK, 1 April 2020: ValiRx Plc (AIM: VAL), a clinical stage biotechnology company, announces:

- that it has conditionally raised £200,000 of gross proceeds through the issue of 5,714,288* new ordinary shares (post reorganisation) at a post reorganisation price of 3.5 pence* per share ("Placing Shares") with new investors ("Conditional Placing"). The Conditional Placing is conditional, inter alia, of the passing of resolution 1 (share capital reorganisation) as set out in the circular posted to shareholders dated 6 March 2020 convening a meeting on 25 March 2020 ("Capital Reorganisation General Meeting"). The Capital Reorganisation General Meeting was adjourned on 25 March 2020;
- the appointment of Peterhouse Capital Limited ("Peterhouse") as sole broker to the Company; and
- the proposed appointment of Martin Lampshire as a Non-executive Director.

*representing 714,285,714 ordinary shares at a price of 0.028 pence per share on a pre capital reorganisation basis.

The Conditional Placing has been conducted on behalf of the Company by Peterhouse.

The Placing Shares would be issued under existing shareholder authorities and not dependent upon resolution 2 or resolution 3 of the Capital Reorganisation General Meeting being passed. Following the issuing of the Placing Shares the Company will have no further existing authority to issue new shares.

Assuming the passing of resolution 1 at the Capital Reorganisation General Meeting, the Placing Shares will represent 5,714,288 post reorganisation ordinary shares (representing circa 31.8% of the Company's so enlarged issued share capital).

The Board intend to shortly reconvene the Capital Reorganisation General Meeting - a further announcement will be made shortly.

Conditional Placing

Further details of the Conditional Placing are set our below:-

- Settlement and admission of the Placing Shares to occur the day following the general meeting convened for 14 April 2020 (the "Requisitioned General Meeting"). For the avoidance of doubt, the Placing Shares will not be eligible to be voted at the Requisitioned General Meeting;

- Other than the amount specified under the Conditional Placing, the Board has undertaken to Peterhouse that no further shares, loans, convertible loan notes or any other such instruments will be issued or agreed in writing or otherwise, by the directors of the Company between the date of this announcement and the Requisitioned General Meeting;
- The appointment of at least one new director at the discretion of Peterhouse (and subject to regulatory approval), Peterhouse has nominated Martin Lampshire for this role; and
- Force Majeure provisions whereby relevant conditions which may include a range of issues, *inter alia*, financial, monetary, economic, political, environmental or stock market related issues, the effect of which Peterhouse may (at its absolute and sole discretion) elect to terminate the Conditional Placing up to the date of Admission.

Working Capital and Use of Proceeds

As announced on 10 March 2020 and 30 March 2020, the Company's working capital position is extremely weak, with the Company dependent on the support of its creditors to continue trading.

The use of proceeds arising from the Conditional Placing will provide the Company with working capital and will be used to help cover certain outstanding creditors for services which are critical to the operation of the Company.

Peterhouse will allow the Company access to the net proceeds of the Conditional Placing to alleviate the immediate working capital strain on the Company. Any payment of outstanding or current director fees or remuneration will not occur until after the Requisitioned General Meeting.

The Company will be required to raise further funds in the near future in order to meet its working capital requirements.

Proposed Appointment of Director

Subject to completion of the Placing and the satisfactory completion of regulatory due diligence checks, Martin Lampshire will join the Board as Non-executive Director. A further announcement will be made in due course.

Martin started his career in Lloyds Bank's Commercial Services division in 1989 after completing the ACIB qualification. He has over twenty years' experience in Corporate Broking, working for a number of city-based firms including Teather & Greenwood, Charles Stanley, Hichens Harrison Stockbrokers and Daniel Stewart Stockbrokers. He has assisted many companies in a variety of equity raises including IPOs, secondary fundraisings, vendor and private placings across a variety of sectors. He has also worked in a number of overseas financial centres including Hong Kong, Singapore, Kuala Lumpur and Dubai. Martin is currently an Executive Director of Global Resources Investment Trust Plc and a Non-Executive Director of Bould Opportunities Plc.

Change of Broker

Peterhouse has been appointed sole Broker to the Company with immediate effect.

Issue of Equity

The Placing 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 Placing Shares to be admitted to trading on AIM ("Admission"). Admission of the Placing Shares is expected to occur on or around 15 April 2020.

Following Admission and assuming the passing of resolution 1 at the Capital Reorganisation General Meeting, the Company's so enlarged issued share capital will comprise 17,992,906 ordinary shares of 0.1p each with voting rights. The Company does not hold any shares in treasury. This figure of 17,992,906 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.

Assuming the passing of resolution 1 at the Capital Reorganisation General Meeting, the proposed share capital reorganisation will become effective on or around 6 April 2020 when it is expected that admission of the 12,278,618 consolidated share capital of the Company will be admitted to trading on AIM.

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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