RNS Number : 6521O
ValiRx PLC
02 June 2020

VALIRX PLC

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

COLLABORATION AGREEMENT SIGNED:
VAL201 A KEY COMPONENT IN EXPERIMENTAL COMBINATION TREATMENT FOR COVID-19

London, UK, 2 *June 2020*: ValiRx (AIM:VAL) announces that it has entered into a collaboration agreement with Oncolytika Limited ("Oncolytika") and Black Cat Bio Limited ("Black Cat") to explore the use of VAL201 in a combination treatment for patients suffering a hyperimmune response to Coronavirus SARS-CoV2 infection (the "Project"). Dr Suzanne Dilly is proposed to be the chairman of the Project steering committee. As announced on 1 May 2020, the Company intends to appoint Dr Suzanne Dilly as a director of the Company subject to the completion of satisfactory background checks which are ongoing at present.

Many patients infected with Coronavirus SARS-CoV2 exhibit more severe symptoms, with significant damage believed to be caused by an excessive response of the immune system, even after the viral infection has reduced. This is known as a hyperimmune response.

Oncolytika, a private UK based technical consultancy, has proposed a combination therapy which includes a selective SRC kinase inhibitor (which inhibits a potential oncogenic pathway), alongside one or two complementary treatments to treat the excessive response of the immune system. Oncolytika and Black Cat have filed a patent to protect the proposed use of the combination therapy.

ValiRx's contribution to the collaboration is to provide samples of its proprietary SRC kinase inhibitor, VAL201, for preclinical testing, and provide access to safety and tolerability data collected in the recently completed clinical trial in men with prostate cancer. No cash funding is committed to the project by ValiRx under this agreement.

Subject to successful out-licencing, ValiRx will receive 40% of all licensing income generated. The collaboration addresses an emergent and immediate unmet medical need, and details the commencement of a short term experimental plan, with the agreement covering a maximum of two years.

This additional use for VAL201, being explored through the collaboration does not impact ValiRx's intellectual property rights, or the progress or commercial potential of the oncology or endometriosis applications of using for VAL201 or VAL301.

There is no guarantee that the Project will be successful and that ValiRx will generate any licensing income from the Project.

Dr Suzanne Dilly, Chairman of the Project Steering Committee, commented: "We are excited to be an integral member of this collaboration, which will investigate the potential use of VAL201 in treating the debilitating effects of Covid-19 in some patients. Extending the applications of our programmes through such partnerships is in line with our long-term strategy of managing the costs and risks of developing novel treatments."

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.

The Company's business model focuses on identifying and in-licensing early stage projects, adding value through scientific development and then out-licensing therapeutic candidates early in the development process. By aiming for early-stage value creation, the Company reduces risk while increasing the potential for realising value.

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.

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

About Oncolytika Limited

Oncolytika Ltd. is a technical consultancy company founded in 2010. Operating mainly in the biotechnology and pharmaceutical sector, client companies include internationally located private and public limited companies operating in the diagnostics and therapeutic sectors as well as academia.

With innovation as a keystone principle, the Oncolytika team delivers value to its clients through a variety of services ranging from opportunity recognition, technology strategy development, business planning, market evaluation and strategic planning for market entry. Oncolytika have developed novel technical solutions and intellectual property for several clients in the biopharma and diagnostic space as well as providing technical writing and publication support.

Oncolytika has a track record of securing grant funding both at the national (UK Innovate) and EU (Eurostar) level for its clients and provides project management and/or technical participation within consortia. Oncolytika has a large and well-developed network of contacts across the life-science sector and we can frequently be seen networking events organized by the Cambridge based One Nucleus and the OBN Ltd., both of which we have been members of since our inception.

Oncolytika undertakes both short term and longer term collaborative projects and have invested in early stage and developed companies. The longer-term objective is to leverage these investments to fund Oncolytika's internal development programs.

About Black Cat Bio Limited

Black Cat Bio Limited is a privately funded entrepreneurial company incorporated in December 2019. Operating in the biotechnology arena, Black Cat Bio aims to identify opportunities for development against diseases of high unmet medical need.

As a small company, Black Cat Bio is able to rapidly identify and progress opportunities, either alone or with appropriate partners. On adoption of a project, Black Cat Bio seeks funding from a variety of sources, including grant and private equity, in order to develop the project to a stage appropriate for commercial partnering.

On 14 January 2020 ValiRx announced that its subsidiary joint venture ValiSeek Limited had entered into a Letter of Intent with Black Cat Bio Limited to raise up to £5 million towards commercialising VAL 401 in order to progress VAL401 through the next clinical trial.

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.

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