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ValiRx PLC
16 June 2020

VALIRX PLC

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

CORPORATE UPDATE

London, UK, *16 June 2020*: ValiRx (AIM:VAL) is pleased to provide the following corporate update.

The Board continues to prudently manage its working capital and has embarked on a review of its cost base.

The Company's headcount has been reduced, through both cost cutting and combining roles.

The Board currently comprises 4 members: Suzanne Dilly - CEO, Gerry Desler - CFO, Kevin Alexander - Non-executive Director, and Martin Lampshire - Non-executive Director.

The Company announced on 27 May 2020 that Dr Kevin Cox will be appointed as Non-executive Chairman, following completion of normal regulatory due diligence.

In addition to the Board, Kumar Nawani remains head of Operations and Mark Treharne acts as a consultant to the Company, on a part time basis, in the role of Corporate Development Manager.

The Board estimates that basic remuneration for the Board, employees and consultants on a pro forma basis will be circa £300,000 p.a. with a headcount of 7, which is a considerable reduction from the last previously disclosed wages and salaries cost of in excess of £900,000 p.a. with a headcount of 11 as stated in the 2018 Annual Report and Accounts.

The Board has reviewed its remuneration policy and intends to align the interest of shareholders and employees by linking any bonus related payments to measurable company and individual performance criteria as well as to affordability.

The Company continues to review its portfolio of non-core Intellectual Property with the objective of affecting cost savings as a result of no longer being required to renew patents.

On 29 May 2020 the Company announced that it had assigned TRAC and FitBio to Drug Discovery Technology Limited for a consideration of £2,000. Importantly for the Company, it no longer has any ongoing obligation for future liabilities associated with the relevant IP.

The Company is also seeking to dispose of its licence in GeneICE, however, to date it has not yet been able to conclude a sale. Consequently, given the high patent costs for this non-core technology, the Company has notified Cancer Research Technology, through whom GeneICE is licenced, of its intention to terminate the licence agreement.

The annual savings from the patent renewal costs of TRAC, FitBIO and GeneICE portfolios is expected to be in excess of £120,000.

Dr Suzy Dilly, Chief Executive Officer, commented "Costs have been looked at across all areas of the business to ensure that scientific progress can continue without working capital being jeopardised by excessive overheads. By continuing to maintain tighter budgets and looking for cost-savings I believe we can deliver better long-term value to shareholders."

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.

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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