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ValiRx PLC
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VALIRX PLC

("ValiRx" or the "Company")

ACQUISITION OF INTELLECTUAL PROPERTY & JOINT VENTURE AGREEMENT

ValiRx acquires IP assets of FIT Biotech OY & signs LOI agreement with investor, Alpha Blue Ocean to establish a genetic therapeutic and diagnostic-based Joint Venture

London, UK., *02 May 2019*: ValiRx Plc (AIM: VAL), the clinical stage biotechnology company, announces:-

- the acquisition of the global granted patents and Intellectual Property assets ("IP assets") of FIT Biotech OY ("FIT Bio") for a nominal sum; and
- a Letter of Intent ("LOI") agreement with Alpha Blue Ocean ("ABO") to establish a genetic therapeutic and diagnostic-based joint venture ("JV") founded on the acquired technology. ABO is a management company closely affiliated with European High Growth Opportunities SF ("EHGO"). EHGO is an entity with which the Company entered into a subscription agreement which was announced on 26 April 2019.

IP assets of FIT Biotech OY

ValiRx has entered into a purchase agreement to acquire from the appointed administrator of the bankruptcy estate of FIT Bio, the IP assets of FIT Bio for a consideration of €5,000.

FIT Bio, a biotech company, headquartered in Tampere, Finland which was established in 1995 and was publicly listed on the First North Finland marketplace maintained by Nasdaq Helsinki Oy. FIT Bio was a company involved in the development of gene delivery technology for a number of indications positioning its technology as an alternative to biologics, such as vaccines, antibodies and protein-based drugs. FIT Bio's principle technology - its Gene Transport Unit platform - had seen an initial product enter into clinical trials.

ABO had previously provided finance to FIT Bio - having entered into a financing agreement with FIT Bio in December 2017. Following the termination of this financing agreement FIT Bio was placed into bankruptcy proceedings. ValiRx has acquired the IP assets from the appointed administrator of FIT Bio.

Joint Venture Agreement

In conjunction with the acquisition of FIT Bio's Intellectual Property assets, ValiRx has signed a Letter of Intent ("LOI") with ABO, an EHGO entity with which the Company entered into a

subscription agreement which was announced on 26 April 2019. The agreement is to establish a genetic therapeutic and diagnostic-based joint venture ("JV"), for the further development of FIT Bio's IP assets with the objective to assemble and progress a portfolio of genetic-based technologies.

It is envisaged that ValiRx will provide the scientific, technological and clinical development expertise to the JV, whilst ABO will focus on financing the entity and progressing commercial activities. It is also envisaged that ValiRx will add its GeneICE technology, along with the Company's gene silencing compound, VAL101, into the JV portfolio to sit alongside the IP assets of FIT Bio, as the Company believes the portfolio technologies are complementary to each other. ValiRx's GeneICE technology has received two Eurostar awards to date for its technological development.

The combined portfolio is well positioned to address the large medical and scientific needs for future precision genetic editing, with all the anticipated technologies in the JV being applicable to many indications, in oncology, inflammation, infectious diseases and neurological conditions.

The formation of the JV is subject to further due diligence following the conclusion of scientific and financial analysis. ValiRx and ABO have agreed that discussions and future negotiation are to be conducted on an exclusive basis.

Further announcements will be made by the Company in due course.

Dr Satu Vainikka, CEO of ValiRx, commented: *"The area of genetic editing is a very topical subject area at the moment in the media as gene editing looks set to transform the way we battle a range of diseases. The IP assets of FIT Biotech complement well ValiRx's existing gene-based technologies and their combination will assist the Group in leveraging its position within this medical market place".*

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

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Notes for Editors

About Alpha Blue Ocean

Alpha Blue Ocean is an exclusive advisor to European High Growth Opportunities Securitization Fund SF ("EHGO"). EHGO is an institutional investment company based in Luxembourg which focuses on financing innovative companies in Europe that are deemed to be significantly undervalued. Their mandate is to invest in innovative European companies.

GeneICE Platform

GeneICE (Gene Inactivation by Chromatin Engineering) is a novel proprietary gene silencing platform for the efficient silencing of targeted genes. This technology is based on natural mechanisms and has the potential to halt and reverse tumour growth. ValiRx has attracted two Eurostars grants, a European grant scheme of EUR1.6m each, for further development of its GeneICE technology platform.

GeneICE mimics a natural process in cells to silence genes. The technology acts upstream of the gene expression, potentially enabling a better inhibition compared to existing therapeutics acting at the protein or post-transcriptional levels.

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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