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ValiRx PLC
22 May 2019

VALIRX PLC

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

Subscription Agreement Update

London, UK, 22 *May 2019*: ValiRx Plc (AIM: VAL), the clinical stage biotechnology company, announces an update regarding the second tranche ("Tranche 2") of shares to be issued under the subscription agreement (the "Agreement" or the "Subscription") with European High Growth Opportunities SF (the "Investor") announced on 26 April 2019.

Tranche 2

The Company advises that admission of the Tranche 2 subscription shares is now expected to occur on or around 23 May 2019. Admission was initially expected to occur on around 21 May 2019. A further announcement will be made by the Company in due course in relation to Tranche 2.

Convertible Funds & Warrants

As previously announced, the Subscription Agreement is part of a wider financing arrangement between the Company and the Investor, which stipulates that the Investor shall provide to the Company additional financing by way of convertible funds with attached warrants ("Convertible Funds" and "Warrants"). Definitive documentation in relation to this is yet to be signed as the Company is required to receive authority at a forthcoming shareholder meeting to enable the Convertible Funds, including the attached Warrants, to be implemented.

The Company wishes to provide further detail regarding two aspects of the Convertible Funds, being the "Make Whole Amount" provision and the "Break Fee".

Make Whole Amount

The first tranche of the Convertible Funds (totalling £500,000), which will be drawn down in the event that definitive documentation is signed, has attached to it a "Make Whole Amount" such that the subscription price for the first tranche of the Convertible Funds shall be reduced in the event that the Company's share price declines in the period to the issuance of this first tranche of the Convertible Funds. This is to be calculated by multiplying the stock performance of the Company (expressed as a percentage) by £1,000,000. The stock performance percentage is based on any decline from a price of 0.52p, being the closing share price of the Company's shares on 19 April 2019.

Break Fee

Should the Company not receive authority from shareholders to issue sufficient shares for the purpose of the Convertible Funds, or should definitive documentation in relation to the Convertible Funds not be signed, in either case before 22 June 2019, ValiRx shall be required to pay the investor a Break Fee totalling £150,000 plus an additional amount in the event the Company's share price declines in the period to the date the Break Fee crystallises. This additional amount is to be calculated by multiplying the stock performance of the Company (expressed as a percentage) by £1,000,000. The stock performance percentage is based on any decline from a price of 0.52p, being the closing share price of the Company's shares on 19 April 2019.

The Company advises that it is commencing discussions with the Investor to amend the basis that is used to calculate the quantum of the Break Fee. The Company does not expect the outcome of these discussions on the quantum of the Break Fee to have an adverse impact on the Company. A further update will be made in due course.

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 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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