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ValiRx PLC
28 May 2019

VALIRX PLC

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

Update - Subscription Agreement, Convertible Funds and Warrant Issue

London, UK, 28 May 2019: ValiRx Plc (AIM: VAL), the clinical stage biotechnology company provides an update on the announcement made by the Company on 26 April 2019 relating to a Subscription Agreement, Convertible Funds and a Warrant Issue (together, the "Subscription Agreement") with European High Growth Opportunities SF (the "Investor").

Tranche 1 under the Subscription Agreement was completed following the admission of 71,000,000 ordinary shares to trading on AIM on 1 May 2019, raising net proceeds of £333,333 for the Company. As per the terms of the Subscription Agreement, it was anticipated that shares relating to Tranche 2 of the Subscription Agreement (a further 71,000,000 ordinary shares) were to be admitted to trading to AIM on or around 21 May 2019. The Company announced on 22 May 2019 that there was a delay in the issue of the Tranche 2 shares, with an expectation that the shares would be admitted on or around 23 May 2019, and that certain aspects of the Subscription Agreement were under discussion.

The Company now announces that it is in advanced discussions with the Investor to terminate the entire Subscription Agreement that was announced on 26 April 2019 and enter into a new Convertible Bond Facility (the "New Facility") with the Investor. The terms of the anticipated New Facility are still subject to agreement and the Company expects to notify details in due course.

The Company's working capital position is dependent on new funds being made available to it. The Company anticipates that the Investor will provide it with additional funds under the New Facility as soon as the definitive legal documentation is entered into. In the event that discussions with the Investor terminate the Company will need to seek other sources of finance to meet its short term working capital requirements.

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

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