

PRESS RELEASE



PolyTherics and Critical Pharmaceuticals enter drug development collaboration with funding from the Technology Strategy Board

Nottingham and London, UK. 5th April 2011 - Critical Pharmaceuticals, an emerging biotechnology company and PolyTherics Limited ("PolyTherics"), innovators in precision improvement of proteins and peptides, today announced a collaboration to develop a novel injectable sustained release drug delivery system for a high value biological drug. The companies have been awarded a grant from the government-backed Technology Strategy Board to develop the technology and prototype drug.

The aim of the collaboration is to produce a clinically superior sustained release product that can be administered less frequently than currently marketed products with a potential reduction in side effects and improved overall efficacy.

Professor Lisbeth Illum, Chief Executive Officer of Critical Pharmaceuticals commented: "We are delighted to be working with PolyTherics to address a significant need for improved biotechnology products. The technology we develop together has the potential to create an enhanced delivery platform for a wide range of biological drugs that will provide an attractive alternative to frequent injections for patients, clinicians and healthcare providers."

The project is scheduled to run for two years with a total budget of just under £700,000; the Technology Strategy Board will meet half the costs to support the development of the technology and a novel long acting product up to proof of concept in an established disease model.

Dr Keith Powell, Chief Executive Officer, commented "This joint project gives us an opportunity to develop a unique technology and we are delighted to have received this additional support from the Technology Strategy Board to enable us to work with Critical Pharmaceuticals to produce a better product for patients".

ENDS

Notes to editors:

PolyTherics

PolyTherics is a biopharmaceutical company that applies precision chemistry to develop improved protein and peptide-based drugs. It has received investment of £5.3 million from Imperial Innovations Group plc, Longbow Capital LLP and The Capital Fund.

PolyTherics has developed three proprietary technologies for attaching the polymer poly(ethylene glycol) (PEG) to any therapeutic peptide or protein in a targeted fashion. PEGylation slows elimination from the body,

thereby improving half-life and potentially reducing drug treatment frequency, decreasing side effects and improving patient compliance.

PEGylated products derived from PolyTherics' technologies are more homogeneous than those derived from traditional methods, resulting in reduced complexity of downstream processing, more consistent product quality and cost-effective manufacture. PEGylation is an established method for improving drugs and nine PEGylated products are already approved for therapeutic use worldwide.

For more information, please visit: www.polytherics.co.uk

Critical Pharmaceuticals

Critical Pharmaceuticals is a Nottingham UK-based biotechnology company developing a pipeline of unique biological drug products utilizing its proprietary drug delivery technologies. These technologies enable the development of sustained release injectable depot and nasal delivery of proteins and peptides and small molecular weight drugs. As well as developing its own pipeline, Critical Pharmaceuticals works in partnership with other pharmaceutical and biotechnology companies to enhance the delivery of their novel drug products. For more information visit www.criticalpharmaceuticals.com

Technology Strategy Board

The Technology Strategy Board is a business-led government body which works to create economic growth by ensuring that the UK is a global leader in innovation. Sponsored by the Department for Business, Innovation and Skills (BIS), the Technology Strategy Board brings together business, research and the public sector, supporting and accelerating the development of innovative products and services to meet market needs, tackle major societal challenges and help build the future economy. For more information please visit www.innovateuk.org

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