

# Placing to Raise £10 Million

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**Redx Pharma announces today that it has raised £10 million (before expenses) by way of a placing of 28,571,429 new Ordinary Shares with both new institutional investors and existing shareholders (“Placing”).** The Placing, which is subject to certain conditions, has been effected at a price of 35 pence per Ordinary Share and represents a discount of approximately 4.3 per cent. to the Closing Price of 36.5 pence per Ordinary Share on 22 March 2016 (being the end of marketing and, therefore, the last practicable date prior to the announcement of the Placing). Cantor Fitzgerald Europe and WG Partners act as joint bookrunners in connection with the Placing.

The major part of the net proceeds of £9.37 million of the Placing will be used to progress the Company’s pipeline, including advancing its Porcupine program towards first-in-human clinical trials, expected in the first quarter of 2017, and further develop Redx’s other assets in immuno-oncology, infection and immunology. In addition, the net proceeds will strengthen the Company’s balance sheet.

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The EIS Placing Shares and Conditional EIS Placing Shares will, upon First and Second Admissions, rank pari passu in all respects with the Ordinary Shares in issue as at that date, and the Further Conditional Placing Shares will, upon Third Admission, rank pari passu in all respects with the Ordinary Shares in issue as at that date; in each case including the right to receive all dividends or other distributions declared, made or paid after the relevant Admission. The Placing Shares will represent approximately 30.5 per cent. of the Company’s enlarged issued ordinary share capital immediately following completion of the Placing.

Neil Murray, Chief Executive of Redx, commented: We are delighted to have successfully raised these new funds with approximately half coming from new institutional investors and also with very strong support from our existing shareholders.

We have made excellent progress in the last 12 months especially with our drug discovery programs, having achieved in-vivo proof of concept in a further three programs and selecting four drug candidates for progression into development. These new funds will support Redx's continuing progress and our existing pipeline. We believe that the assets in our pipeline look extremely promising and offer the potential to deliver significant shareholder value.

A general meeting of Redx in connection with the Placing will be held at 10.30 a.m. on 13 April 2016 at the offices of DWF LLP, at Scott Place, 2 Hardman Street, Manchester, M3 3AA.