



23rd April 2007

e-Therapeutics raises funding for next phase in drug development

e-Therapeutics Ltd, the leading systems biology drug discovery company, is pleased to announce the successful completion of an undisclosed 7-figure investment round with Katalyst Ventures, Novotech Investment, and NorthStar Equity Investors (NSEI). All parties will join RAB Capital as backers of the revolutionary drug discovery firm.

Since its launch in 2005, e-Therapeutics has already delivered 45 new therapy candidates in 11 clinical areas, including MRSA, asthma, depression, cancer, cholesterol, diabetes and pain. These include three drugs which have already proven their efficacy in killing the most resistant strains of MRSA and are currently entering Phase II testing trials.

This latest round of funding, led by Katalyst Ventures, will enable e-Therapeutics to progress the next phase of its drug discovery and clinical programmes, as well as orientate its platform technology towards the discovery of new treatments for diseases where there are currently no satisfactory medicines.

Professor Malcolm Young, Chairman, e-Therapeutics, said: *“We are very pleased to be welcoming such experienced and successful investors on board. This new round of investment will enable us to build on our success to date by bringing important new medicines from our discovery platform, through clinical development, to the hospital and consulting room. e-Therapeutics has already created substantial value for existing investors and we look forward to building further value as we move forward.”*

Alex Macpherson, Chief Executive, Katalyst Ventures, said: *“This is an extremely exciting phase in e-Therapeutics’ development, and we believe that Malcolm and his team, armed with the unique discovery platform e-Therapeutics has in place, have the power to generate substantial value for investors. Drug and clinical trials are already demonstrating the success of e-Therapeutics’ offering, and the company has great prospects for long-term growth.”*

Alexia Taylor, Investment Manager, Novotech Investment, commented: *“e-Therapeutics is exactly the type of innovative and leading technology company which Novotech Investment seeks on a global scale. The technology being pioneered by e-Therapeutics within the drug discovery field has the potential to change the world substantially for the better, something very few technologies can claim.”*

Dr Alex Buchan, Investment Manager, NSEI commented: *"We are delighted to be investing in e-Therapeutics and believe it has enormous potential. It is a fantastic example of the quality of biotechnology opportunities now appearing. NSEI has been involved with e-Therapeutics since the beginning, when we invested Proof of Concept funding, and we have been very impressed with how the team has taken the technology forward to deliver a strong pipeline of drug candidates entering into Phase II clinical trials."*

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About e-Therapeutics (www.etherapeuticsltd.com)

e-Therapeutics is a leading systems biology drug discovery company, with infrastructure in place to take its own drugs through clinical trial stages. The company has developed proprietary complex systems science techniques, which are used to compute the impacts of compounds in biological systems and so address the key technical risks in drug discovery and development, of efficacy and safety, very rapidly.

About Katalyst Ventures (www.katalystventures.com)

Katalyst Ventures is a Private Investor Group, formed by a group of successful entrepreneurs and business men to provide capital and business expertise to small fast growing companies. The company received FSA authorisation in June 2000 and now has approximately 100 private individual investor members. To date Katalyst members have invested over £12 million in 23 companies. As at 31 December 2006 the company had an IRR of 28.4% p.a. based on BVCA guidelines.

About Novotech Investment

Novotech Investment is an integrated technology investment and development company. Its rationale is to provide funding and other resources necessary to accelerate technologies with the potential for a global impact on one or more major industries to the point of significant commercial value. Novotech prefers a proactive approach, in which technology opportunities are actively sought, over a responsive approach, and it brings unusual capabilities for evaluating technical and commercial risks.

About NorthStar Equity Investors (www.northstarei.com)

NorthStar Equity Investors is a venture capital firm that specialises in early stage high-growth technology opportunities. Its investment team offers a unique combination of science, technology, commercial and venture capital skills and works closely with entrepreneurs at every stage of their company's development to realise their full potential.

NorthStar Equity Investors manages two venture finance funds totaling £33m:

- The £10 million Proof of Concept Fund, funded by One North East and the European Regional Development Fund (ERDF), which can provide up to £90,000 investment
- The £23 million Co-Investment Fund, funded by ERDF, which can provide from £100, 000 to £1 million investment

NorthStar Equity Investors is authorised and regulated by the Financial Services Authority.