

**VASTox plc**  
**(“VASTox” or “the Company”)**

**VASTOX JOINS EUROPEAN RESEARCH CONSORTIUM TO TARGET THE  
DEVELOPMENT OF NEW TREATMENTS FOR CANCER**

**Research will focus on Cancer Stem Cells as target for new therapies**

**Oxford, UK, 17 January 2007** – VASTox (AIM: VOX), a leading biotechnology company, today announced that it has become a partner in a new European consortium that will undertake research towards developing new treatments for cancer. The research programme, called *Targeting Cancer Stem Cells for Therapy*, will be backed by a €2 million grant from the European Commission under the Sixth Framework Programme.

VASTox will work in partnership with five leading research organisations from across Europe to develop treatments that target cancer stem cells (CSCs). In recent years, CSCs have been identified as being an important factor in cancer due to their ability to both initiate and sustain tumour growth. However, there is currently no specific treatment that targets CSCs. The consortium’s research will aim to identify the CSCs that cause tumour growth, and thereby generate new drug targets with the ultimate objective of developing new cancer therapies.

The consortium will be coordinated by the European Molecular Biology Laboratory (EMBL) Unit in Italy and includes the University of Lund in Sweden, Cancer Research UK, the UK Medical Research Council, Oxford University and the University of Copenhagen. Initial research will be focused on two types of cancer: leukaemia and breast cancer. The grant is spread over three years and will be split between the consortium members.

VASTox’s participation in this research programme will complement its existing discovery programmes in the areas of cancer and the potential use of stem cells as regenerative medicines. VASTox’s capabilities in these areas will be enhanced by being involved in this framework programme and will also place the Company at the forefront of key research into this new and important area of cancer research.

Steve Lee, PhD, CEO of VASTox commented: “For VASTox to be part of this consortium represents an exciting opportunity for the company to play a key role in the early stages of discovery and development of novel cancer medicines. The identification and targeting of cancer stem cells allows for the exciting possibility of being able to eradicate cancer from a patient, an outcome which many current therapies do not provide.”

**About Cancer Stem Cells**

It was previously believed that most or all cancer cells possess the ability to self renew and replenish new cancer cells. In recent years, however, increasing evidence indicates that only a small fraction of tumour cells have the ability to reconstitute a new tumour. Existence of cancer stem cells (CSCs), which are believed to have a role in initiating and sustaining tumour growth, was first documented for leukaemia but has now been extended to include solid tumours, including breast cancer. The properties of these rare but important CSCs mean they have immediate clinical

implications. Studies indicate CSCs have high levels of multi-drug resistance, which make them difficult to target with current cytotoxic therapies, and they also appear to be less susceptible to immunotherapy treatments. This in part is believed to be the reason why current treatment regimes fail and patients frequently suffer relapses. Despite the clear importance of CSCs in the perpetuation of cancers, currently very little is understood about their biological and molecular nature properties, hence there is the urgent need for high quality research to be undertaken if novel therapies targeting CSCs are to be developed.

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**About VASTox plc**

VASTox is a chemical genomics biotechnology company that discovers and develops proprietary novel drugs and provides services to the pharmaceutical industry. The company's most advanced drug development programme is focused on developing a new treatment for Duchenne muscular dystrophy based on the up-regulation of utrophin. A second drug development programme for spinal muscular atrophy is also progressing rapidly. VASTox has additional programmes focused on osteoarthritis, cancer, tuberculosis and stem cells, which are expected to be out-licensed prior to entering the clinic.

The company's technology platform, which uses zebrafish and fruitflies, has the potential to dramatically decrease the time and cost of drug discovery and development. This is because using whole organisms allows it to carry out high volume, high content screening that delivers data which is highly predictive of the efficacy and toxicity of potential drug compounds in humans. VASTox is growing revenues based on marketing its unique technology platform and its chemistry expertise. The company listed on the AIM market of the London Stock Exchange in October 2004.

Further information about the company is available at [www.vastox.com](http://www.vastox.com).