

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

**VASTOX ACQUIRES KEY ASSETS FROM MNL PHARMA AND STRENGTHENS
DRUG DISCOVERY AND CHEMISTRY SERVICES CAPABILITIES**

Oxford, UK, 14 December 2006 – VASTox (AIM: VOX), a leading UK biotechnology company, announces today that it has acquired the key assets of MNL Pharma Limited (“MNL”), the private UK drug discovery company, which went into administration in October 2006. This acquisition will both secure a pipeline of early stage drug candidates focused, in particular, on oncology and strengthen the Company’s services offering by bringing in experienced researchers with skills that are highly complementary to its current capability.

Assets acquired include:

- A pipeline of drug candidate molecules including:
 - MNLP462a, MNL’s lead oral cancer drug candidate, an immuno-modulator with a novel mechanism of action that stimulates the immune system without activating toxic inflammatory responses. MNLP462a is currently in late-stage preclinical development.
 - All intellectual property relating to these drug candidates.
- A modern carbohydrate chemistry laboratory in Aberystwyth staffed by 12 researchers and managed by MNL’s former Research Director, Professor Robert Nash, a world-leading phytochemist.
- A chemical library of more than 1,300 rare or novel drug-like compounds

These assets have been acquired by VASTox for an initial cash consideration of £240,000 payable to the administrators of MNL. The Board is confident that with service income and grants the Aberystwyth site will be cash-neutral within a year.

Dick Storer, DPhil, Chief Scientific Officer of VASTox, said: “The opportunity to acquire compounds of this quality is rare. I am delighted to be able to add these to our existing assets and believe they will contribute significantly to our efforts to identify potential drug candidates for commercialisation.”

Steven Lee, PhD, Chief Executive Officer of VASTox said: “The assets that we are acquiring today represent an excellent strategic fit and enhance both VASTox’s drug discovery and service capabilities.

“The addition of an exciting, novel and highly diverse new library of drug-like compounds that we can screen through our existing zebrafish and fruitfly models is anticipated to yield new drug candidates to progress into development programmes. Furthermore, we gain access to a promising anti-cancer candidate, which provides a near-term out-licensing opportunity.

“The research facility in Aberystwyth has a first-class reputation and significantly strengthens our chemistry capabilities both for our external partners and for our own internal drug development programmes. Carbohydrate chemistry is a complex but highly valuable competence that is in increasing demand from pharmaceutical development companies. With Professor Nash and his team joining the Company,

VASTox has become a world-leading provider of high value chemistry services in this area.

“The deal we have done today fits well with our growth plans and highlights the ambitions of VASTox for the future.”

About MNLP462a

MNLP462a, MNL Pharma's lead oral cancer drug candidate, is an immuno-modulator with a novel mechanism of action that stimulates the immune system without activating toxic inflammatory responses. Preclinical studies completed to date have shown that MNLP462a reduces tumour numbers and size, has low toxicity and good pharmacokinetic properties. A clinical trial programme has been designed for MNLP462a to treat several solid tumour types and was expected to begin in 2007. MNLP462a, which was identified from MNL Pharma's chemical library, is also thought to have potential in treating infectious diseases owing to its mechanism of action.

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About VASTox plc

VASTox is a biotechnology technology 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 cell therapies, which are expected to be out-licensed prior to entering the clinic.

The company's chemical genomics technology platform, which uses zebrafish and fruitflies, has the potential to dramatically reduce the time and cost of drug discovery and development. This is because using whole organisms allows VASTox 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.

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such as "anticipates", "intends", "plans", "seeks", "believes", "estimates", "expects" and similar references to future periods, or by the inclusion of forecasts or projections.

Forward-looking statements are based on the Company's current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. The Company's actual results may differ materially from those contemplated by the forward-looking statements. The Company cautions you therefore that you should not rely on any of these forward-looking statements as statements of historical fact or as guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include [factors included in this presentation] and regional, national, global political, economic, business, competitive, market and regulatory conditions.