

VASTox Initiates Fifth Proprietary Drug Discovery Programme in Cancer

Oxford, UK 11th April 2006 – VASTox plc (AIM: VOX), a leading chemical genomics company, is pleased to announce that it has initiated a new drug discovery programme focused on the Wnt signalling pathway for cancer. This is VASTox's fifth drug discovery programme.

VASTox has selected this new programme to capitalise on its own in-house expertise and will use its chemical genomics platform technology and fruitfly larvae (*Drosophila melanogaster*) to screen its proprietary library of chemicals. The Wnt (pronounced "wint") pathway is widely recognised within the scientific community to be a good cancer target because it is active in the developing embryo when cells are required to constantly grow and differentiate. The pathway is normally inactive in adults and only switched on again in cancers.

Based on its world-leading chemical genomics expertise, VASTox has developed a screening model in fruitflies in which a crucial step in the regulation of the Wnt pathway is impaired leading to uncontrolled cell growth.

In addition, because VASTox is using whole organisms to carry out its screening activities, the Company will quickly gain valuable information on the safety and efficacy of the compounds that affect the Wnt pathway. This approach has the potential for saving significant time and cost in the development of new drug candidates when compared to conventional drug discovery processes.

Following the successful secondary fundraising for the company's Duchenne Muscular Dystrophy programme in March, VASTox is now focused on moving its lead programme into the clinic by its target date of 2008. This funding has also enabled the company to accelerate its other drug discovery programmes and initiate others such as the Wnt programme earlier than planned. With three proprietary *in vivo* screening programmes using zebrafish (for the Company's osteoarthritis programme) and fruitflies (for the Spinal Muscular Atrophy and Wnt programmes), the Company will look to announce progress in terms of hit selection within the next six months.

Dr Steven Lee, CEO of VASTox, said: "Our recent successful secondary fundraising has provided us with the funds to drive forward our lead programme in Duchenne Muscular Dystrophy according to the timelines we set out in March. As a result of this much strengthened financial position, we are now in a position to add additional high quality drug discovery programmes. Our expertise in chemical genomics and fruitflies makes the Wnt signalling pathway an ideal discovery target for VASTox. With this programme, we are again demonstrating our ability to utilise exciting academic science as the starting point for a rigorous, industrial drug discovery process. By using *in vivo* models at the first stage of our Wnt drug discovery programme, we are confident that the hits we identify will show low toxicity and quickly form the basis of lead candidates."

For more information please contact:

VASTox plc

Steven Lee, Chief Executive Officer

01235 443 910

07766 913 898

Citigate Dewe Rogerson

David Dible / Mark Swallow / Valerie Auffray

020 7638 9571

Notes for Editors:

About VASTox plc

VASTox is a chemical genomics 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 two additional programmes focused on osteoarthritis and tuberculosis that are expected to be out-licensed prior to entering the clinic.

The company's technology platform, which uses using 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.

VASTox was formed in January 2003 from the University of Oxford. The company listed on the London Stock Exchange AIM in October 2004 and successfully raised an additional £10 million via a secondary placing in March 2006.

About the Wnt signalling pathway

Signalling pathways are the subject of intense research and commercial activity in the life sciences industry. The Wnt pathway refers to a sequence of biological processes that are essential for the healthy development of embryos. Once the embryo has developed the pathways become more specialised and carefully regulated.

The Wnt signalling pathway is remarkably well conserved between fruitflies and humans and is essential in the development of the cell differentiation, organ formation and cell growth. VASTox has developed model fruitflies that demonstrate unregulated reactions of beta-catenin; a crucial step in the Wnt pathway. Finding chemicals that regulate this reaction in the fruitfly will be an important start in regulating this pathway in humans.

As a fundamental biological process, the malfunctioning of the Wnt pathway has been implicated in a wide range of diseases and disorders. VASTox believes that its Wnt programme will offer potential across a broad range of therapy areas, but initially in unregulated cell growth such as cancer tumours.

This announcement contains forward-looking statements. Forward-looking statements can be identified by words 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 its 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 announcement and regional, national, global political, economic, business, competitive, market and regulatory conditions.