

PROXIMAGEN GROUP PLC
("Proximagen" or "the Company")

**Proximagen and Altacor sign Collaborative Research and Development Agreement
for Proximagen's 5HT2c programme in Glaucoma**

London, UK, 23 November 2011 – [Proximagen Group plc](#) (AIM: PRX), the rapidly growing company with a principal focus on the treatment of disorders of the central nervous system, and Altacor Limited ("Altacor"), a specialty ophthalmic pharmaceutical company, today announce that they have signed a Collaborative Research and Development Agreement (the "Agreement"). Under the terms of the Agreement Altacor will undertake the research and development of PRX00933, the lead compound from Proximagen's 5HT2c programme, to treat glaucoma. Altacor also gains an option for exclusive global rights to ophthalmic indications with Proximagen retaining all rights outside of ophthalmology. The financial terms of the Agreement were not disclosed.

Proximagen's 5HT2c programme was acquired as part of the purchase of Cambridge Biotechnology Limited by Proximagen from Swedish Orphan Biovitrum and includes the lead compound PRX00933. This compound is an agonist at the 5HT2c receptor and has the potential to treat obesity, diabetes, epilepsy, urinary incontinence, and psychiatric and ophthalmology disorders. The compound was initially developed as a targeted approach for controlling the brain's satiety centre and thus achieving weight control. PRX00933 has been dosed in over 480 subjects, was shown to be safe and well tolerated, and in a randomised, placebo controlled, double blind phase II study demonstrated significant weight reduction in patients.

5HT2c agonists have recently shown promise as a new treatment of glaucoma by reducing intraocular pressure in industry standard models of glaucoma, a chronic condition that results in progressive loss of vision and which is the second most common cause of blindness. Altacor and Proximagen will conduct a programme of collaborative research to develop PRX00933 in glaucoma and will use the existing clinical package to facilitate the development. Altacor has expertise in the development of glaucoma products and this new mechanism is complementary to its existing pipeline.

The global ophthalmology market was worth over \$12bn in 2008 (Datamonitor Stakeholder Opinion: Ophthalmology 2010) of which glaucoma represented the single biggest market with sales exceeding \$5bn. Currently in excess of two million people are affected by glaucoma in the USA although many of these patients are poorly treated by existing therapies and thus new treatments are still needed.

Proximagen's Chief Executive Officer, Kenneth Mulvany, said: *"We are delighted by this agreement with Altacor, one of the UK's most respected ophthalmic specialty pharmaceutical companies, to progress the development of PRX00933 in a new indication. This deal is another example of the successful execution of Proximagen's strategy of retaining certain rights to programmes with the costs of development being funded by a partner. In this case we will be retaining rights for all indications of PRX00933 outside the field of ophthalmology."*

Fran Crawford, Chief Executive Officer of Altacor, added: *"PRX00933 is a highly interesting molecule with the potential to deliver a novel complementary mechanism in the treatment of glaucoma. Altacor is excited to add this project to its expanding pipeline as it is synergistic with existing projects and can be fast tracked to the clinic. If the development programme fulfils its promise, this product will add significantly to the clinical armamentarium in the treatment of this increasingly common condition. This deal is a further step in building Altacor's presence in ophthalmology as a specialty pharma company with growing sales and a strong pipeline of development products."*

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About Proximagen

Proximagen Group plc (AIM:PRX) is focused on the development and commercialisation of novel therapeutics primarily for diseases of the central nervous system. The Company is developing a broad pipeline of drug candidate programmes and has plans for substantial future growth through a strategy of acquisition and consolidation of innovative drug candidate programmes in its core disease areas. Proximagen believes that significant value creation opportunities can arise by building critical mass, reducing the cost base, and focusing resources on a more promising pipeline where tough decisions will be taken to discontinue weak programmes.

Proximagen strives for true scientific innovations that break new ground in treatment. Using this standard as a development benchmark makes things more challenging, but demonstrates the Company's commitment to pursuing only those opportunities that improve upon current therapies in meaningful ways and represent the best chance of generating significant commercial value. For more information, please visit the Company's website at www.proximagen.com.

About Altacor

Altacor is an ophthalmic specialty pharmaceutical company with marketed products and a diverse development pipeline. The products are focused in the following sub therapeutic areas: ocular surface disease, ocular anti-infection and glaucoma. The company differentiates products through, for example, formulation or reprofiling. ALT 005 (surgical) and ALT 020 (ocular anti-infection), ALT 022 glaucoma and ALT 401 for prevention of scarring in glaucoma surgery are examples. Altacor has five products marketed in the UK and Ireland (Clinitas and Clinitas range) which are commercialised through its own sales and marketing organisation and network. Clinitas and Clinitas GEL are prescription products; the former is for moderate dry eye conditions and has a uniquely high concentration of hyaluronic acid (0.4%) in the UK. It is gaining acceptance by clinicians nationwide. The OTC Clinitas range comprises Clinitas Hydrate, Clinitas Soothe and Clinitas Ultra 3 which together address the major causes of dry eye.