



ARCHIMEDES PHARMA PRESS RELEASE

Archimedes Pharma announces major fundraising of £65 million

Appoints new Chief Executive Officer to accelerate growth of transatlantic business

US commercial operations to be established

Reading, UK, 02 March 2010: Archimedes Pharma (“Archimedes”), the leading specialty pharma company, today announced that it has raised £65 million (approx US\$100 million) in new funding. The round was led by new investor Novo Growth Equity, the growth equity fund of Novo A/S, and included participation by major current investor, Warburg Pincus, a global private equity firm. Archimedes also announced the appointment of a new President and Chief Executive Officer, Jeffrey H. Buchalter, formerly President and Chief Executive Officer of US-based Enzon.

The funding round is the largest raised by a private European biopharma company in the last 15 years and is Novo Growth Equity’s first investment since it was established at the beginning of 2009. The funds will be used to establish Archimedes’ operations in the US and support the growth of the successful specialty pharma business in Europe. The funds will also be used to support the global commercial launch of PecFent*, Archimedes’ innovative, simple-to-use, fentanyl nasal spray for the treatment of breakthrough cancer pain. PecFent has been filed for approval in Europe and the US and is expected to be approved for commercial sale in both regions during 2010. PecFent is supported by an extensive phase III clinical development programme in which the product met all primary and secondary end-points. Crucially, the phase III studies demonstrated that PecFent showed onset of pain relief within five minutes of dosing, statistically significant improvements in pain relief versus immediate release morphine, together with high levels of patient acceptability and consistent effectiveness in use.

Jeffrey H. Buchalter has over 20 years experience in the pharmaceutical industry and has held senior positions at a number of multinational pharmaceutical companies. He was most recently President and CEO of Enzon Pharmaceuticals, the US biopharmaceutical company focused on the development, manufacturing and commercialisation of therapies for patients with cancer and other life-threatening conditions. Prior to this, he was CEO of ILEX Oncology, where he led the transformation from a drug development company to a high quality oncology franchise with established commercial operations. He has also held key positions at Pharmacia, Wyeth and Schering Plough.

Simon Turton, Managing Director of Warburg Pincus, said: “We have supported Archimedes since its foundation in 2004 and are delighted to invest again in such an exceptional company as it enters a new stage in its growth. We are particularly pleased to welcome Jeff as President and CEO and to the Board of Archimedes. His vast experience and knowledge of the pharmaceutical industry, and specifically oncology, will be instrumental in accelerating the Company’s success through an international platform. This major injection of funding and the appointment of Jeff as the new President and CEO mark the beginning of a new phase in Archimedes’ growth plans.”

Ulrik Spork, Managing Partner of Novo Growth Equity, said: “We have been impressed with the successful track record of Archimedes over the last five years, and are very pleased to contribute to the further transformation of the Company with the launch of PecFent, Archimedes’ nasal fentanyl spray, in Europe and US. Archimedes represents an ideal investment opportunity for us and supports our strategy to take major stakes in promising late stage life sciences companies with near-term commercial potential.”



Jeffrey H. Buchalter, President and Chief Executive Officer of Archimedes, commented: “Archimedes is at a transformational stage in its development. It has built up a successful specialty pharma business in Europe and has filed its lead product, PecFent, for product approval in both Europe and the US. I am delighted to join as President and CEO to accelerate the expansion of Archimedes’ business in Europe, support the commercialisation of PecFent, and build the operations in the US market.”

The board of Archimedes will now include Simon Turton and Piyush Shukla of Warburg Pincus; Ulrik Spork and Göran Ando of Novo A/S; and Jeffrey H. Buchalter.

*PecFent was previously known as NasalFent.

Ends

Notes to editors:

About Archimedes Pharma

Archimedes Pharma (“Archimedes”) is a specialty pharmaceutical company already marketing and selling an expanding portfolio of specialist products to hospital-based prescribers in major European territories.

Focused on the oncology, pain, neurology and critical care sectors, Archimedes currently markets a range of products in the UK, France, Germany and Ireland, and will continue to expand its commercial presence in Spain and the US during 2010.

Products currently marketed in Europe by Archimedes include: Gliadel, a biodegradable wafer impregnated with carmustine for high-grade glioma; Zomorph, an oral sustained release morphine product for moderate to severe pain, particularly cancer pain; Oramorph, a liquid immediate release morphine product also indicated for moderate to severe pain; Apomorphine Injection for motor fluctuations in advanced Parkinson’s disease and Pabrinex, a high potency vitamin formulation used to treat the symptoms of malnutrition especially in patients with alcohol misuse problems.

Archimedes is also developing a robust, high value pipeline of in-house products in pain, Parkinson’s disease and critical care. It applies its world-class drug delivery technologies to proven molecules which have yet to achieve their market potential due to their current mode of delivery. This approach reduces the company’s development risk, while delivering significant clinical and commercial benefits.

Archimedes submitted a centralised Marketing Authorisation Application with the European Medicines Agency (EMA) for PecFent in April 2009 and submitted a New Drug Application (NDA) with the US Food and Drug Administration (FDA) in August 2009. The product is expected to be approved for commercial sale during 2010 in both territories.

PecFent

Archimedes’ transformational product is PecFent, an innovative and highly differentiated fentanyl citrate nasal spray, for the rapid relief of breakthrough cancer pain, based on Archimedes’ PecSys™ technology. Phase III data illustrates that PecFent has a potential best-in-class profile among fentanyl products for breakthrough cancer pain and is the first product to demonstrate onset of pain relief within five minutes of dosing.



PecFent is an aqueous fentanyl citrate solution utilising Archimedes' proprietary PecSys™ technology. The PecFent solution has a low viscosity and is easily delivered in a low volume of 100mcl using a nasal spray pump. The pump produces a fine mist of similarly sized spray droplets which are deposited into the front of the nostril. The calcium ions present on the nasal mucosa cause the pectin to form a thin gel layer, which allows fentanyl to be retained on the nasal mucosa, allowing a rapid but controlled absorption into the systemic circulation. The PecSys™ technology avoids problems associated with simple solutions used in nasal sprays, such as excessive levels of drug and dripping or swallowing of the drug solution.

Archimedes' technologies - ChiSys®, PecSys™ and TARGIT® - are also used in a number of partnered products in late-stage clinical development. ChiSys, an innovative drug delivery technology which enhances the residence time of molecules on mucosal membranes, has proven potential for vaccine delivery. Pre-clinical and clinical studies of nasally administered vaccines have demonstrated enhanced immune response. PecSys™ is Archimedes' patented drug delivery system built around its novel pectin technology, designed to maximise the potential of systemically absorbed drugs by enhancing drug performance and improving patient acceptance.

For more information, please visit: www.archimedespharma.com.

Jeffrey H. Buchalter

Jeffrey H. Buchalter has over 20 years experience in the pharmaceutical industry. He was previously President and CEO of Enzon Pharmaceutical Inc. since 2004 and also served as Chairman of the Board of Directors until May 2009. Prior to this, Jeffrey was President and CEO of ILEX Oncology, Inc. where he led the company's transformation from a drug development contract research organization to a product-driven pharmaceutical company. Before joining ILEX Oncology Inc., Jeffrey held key roles at Pharmacia, Wyeth (formerly American Home Products) and Schering-Plough Corporation.

Jeffrey received the American Cancer Society's Joseph F. Buckley Memorial Award and an invitation from former President George Bush to serve as a collaborating partner in the National Dialogue on Cancer. Jeffrey was recently appointed Chairman to the Board of Trustees of The National Children's' Cancer Foundation (NCCF); he is also a member of the Board of Directors of TopoTarget A/S, a publicly held Danish biopharmaceutical company.

Jeffrey has a B.S. in finance from Seton Hall University, and an M.B.A. in marketing from Temple University.

About Warburg Pincus

Warburg Pincus is a leading global private equity firm. The firm has more than \$30 billion in assets under management. Its active portfolio of more than 100 companies is highly diversified by stage, sector and geography. Warburg Pincus is a growth investor and an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 12 private equity funds which have invested more than \$35 billion in approximately 600 companies in more than 30 countries. Since the firm's first European transaction in 1983, Warburg Pincus has invested more than \$6 billion in European companies, including investments in Archimedes, Eurand and ProStrakan. Additional life science investments include Allos Therapeutics, Ganic Pharmaceuticals, InterMune, Rib-X Pharmaceuticals and ZymoGenetics. The firm has offices in Beijing, Frankfurt, Hong Kong, London, Mumbai, New York, San Francisco, Shanghai and Tokyo. For more information, please visit www.warburgpincus.com.



About Novo A/S and Novo Growth Equity

Novo A/S is the holding and investment company of the Novo Group, and is wholly owned by the Novo Nordisk Foundation. Novo A/S was formed in 1999 to actively manage the assets of the foundation. It employs about 30 people and has approximately USD 15 billion of assets under management. These includes significant shareholdings in the publicly listed Novo Nordisk A/S (NYSE: NVO) and Novozymes A/S (NVZMF.PK), Novo A/S provides seed, venture and growth capital to development stage companies within life science and biotechnology, as well as manages a broad portfolio of financial assets. Novo A/S is committing up to USD 300 million annually to its investments in seed, venture and growth equity life science companies. Of this, nearly two-thirds are directed to the Novo Growth Equity activities focusing on investment in promising late stage companies with near term commercial potential. For further information please visit www.novo.dk.