For immediate release 3 September 2007

ASTERION LIMITED
("Asterion" or "the Company")

Foundation Research Published in Nature Medicine

Asterion Ltd (Sheffield, UK) is pleased to announce today that results from its internally-generated research have been published in the peer-reviewed, medical journal Nature Medicine. Asterion is a privately held next-generation biopharmaceutical company that focuses on developing proteins for new therapies against a range of disorders. Asterion's research is published in Nature Medicine: A ligand-receptor fusion of growth hormone forms a dimer and is a potent long-acting agonist, Wilkinson et al., Published online: 26 August 2007; | doi:10.1038/nm1610.

Asterion, a Biofusion portfolio company founded in 2001, is based on world class research from the University of Sheffield**.** Asterion is developing novel proteins with the potential to treat a range of cytokine disorders and is based upon structural and cellular molecular biology. Asterion has developed its technology base using growth hormone as a model system, but its approach is applicable to many other cytokines. Its platform technology should enable it to produce products that exhibit delayed clearance, have high affinity and have a reduced likelihood of side effects and unwanted immune responses.

The results in the cited Nature Medicine journal demonstrate that the new molecule developed by Asterion promotes growth after a single injection and that growth continues over a minimum of ten days in-vivo compared to the current standard of care where daily injections of growth hormone are required to promote human growth. The Asterion technology has the added attraction of simplicity for manufacture and applicability to other cytokine hormones.

Commenting on this announcement Asterion's Chief Executive Officer, Dr Raymond Barlow, said: *" The publication of our foundation research in this prestigious, peer reviewed journal is a major validation of the scientific basis of Asterion's ProFuse™ therapeutic platform technology. ProFuse™ can potentially be applied to a huge number of cytokine families and targets to generate novel, IP-protected, next-generation biopharmaceutical products (AFT™ drugs). AFT™ drugs are long-acting biopharmaceutical products that can administered less frequently than existing marketed drugs, and which have the potential for an improved side effect profile. We look forward to sharing further news on our development pipeline during the remainder of the year."*

Asterion's Chief Scientific Officer, Professor Richard Ross, added*: "We are very excited by these results which demonstrate that making a fusion of growth hormone to its receptor generates a potent hormone replacement with a very long duration of action. We believe this technology will be a major advance in recombinant protein therapeutics bringing significant benefits to patients. Children and adults with growth hormone deficiency have to give themselves daily injections whilst the new Asterion technology has the potential to reduce injections frequency to once every two weeks or once a month. We believe that the*

technology can be applied to a wide variety of recombinant proteins used to treat inflammatory diseases such as multiple sclerosis, cancer, and metabolic diseases. A major attraction of this new generation of cytokine hormone therapeutics is the relative simplicity of manufacture and lack of requirement for complex formulation."

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About Asterion

Asterion is developing next-generation therapeutic proteins with superior pharmacological profiles that will improve the current treatment options for patients with chronic diseases.

Asterion applies its core technologies to generate and develop long-acting biopharmaceutical products that can administered less frequently than existing marketed drugs, and which have the potential for an improved side effect profile.

Asterion owns a novel, patented therapeutic platform technology **ProFuse ™** that has tremendous utility and versatility. ProFuse ™ can be applied to a huge number of cytokine families and targets to generate novel, IP-protected, next-generation biopharmaceutical products.

Asterion's is adopting a lower risk development strategy by applying its technology to improve existing products in established markets. In particular, Asterion is focusing on developing next-generation Asterion Fusion Technology (AFT™) therapeutic products that address unmet clinical and commercial needs in large markets where the targets are validated, the clinical development path is known and the commercial opportunity is clear.

Asterion's platform technologies and novel, differentiated, IP-protected products should be of considerable interest to a variety of companies, including: (1) companies looking to manage the life cycle of existing products, (2) companies looking for ways to address the challenge of biosimilars, (3) companies looking to gain entry into large, growing markets, and (4) companies looking to create new biopharmaceutical products.

Asterion's proprietary, best-in-class, next-generation, therapeutic proteins are being developed and commercialized through internal programmes and external collaborations. Asterion's current products will be used to treat diseases such as anaemia, neutropenia, multiple sclerosis, growth disorders and autoimmune disorders.

The company's most advanced product is a long-acting Growth Hormone agonist product for the treatment of growth disorders, which is being developed in a strategic alliance with Ipsen. The company has internal programmes for other cytokine targets which include erythropoietin (**AFT™**-EPO), G-CSF (**AFT™** –GCSF), interferons (**AFT™** -Inteferon α, **AFT™** -Inteferon β) and leptin (**AFT™** –Leptin)

Asterion's ProFuse™ technology can be applied across many therapeutic protein groups. In addition to its ongoing R&D programmes, Asterion seeks to enter into commercial

partnerships with pharma and biotech companies to leverage its expertise and technology more broadly across a wider number of protein drug candidates. The company has IP for a number of existing biopharmaceutical targets, as well as for certain novel targets, and is exploring the possibility of out-licensing certain of these assets.

Asterion Ltd. was founded in 2001 and is a Biofusion portfolio company based on world class research from the University of Sheffield, originally developed with early stage funding from White Rose Technology Seedcorn Fund. Asterion acknowledges the financial and technical support of Ipsen for elements of the work contained in the publication.

For more information on Asterion, visit www.asterion.com

Biopharmaceutical Products

The total market for biopharmaceutical products is currently estimated to be $64bn (www.lamerie.com). In 2006, the erythropoietin class accounted for $11.9Bn in sales; the Inteferon Beta Class accounted for $4.4Bn in sales; the Human Growth Hormone Class accounted for $2.3BN in sales; and the Inteferon alpha class accounted for $2.26Bn in sales. Top biopharmaceutical products include Aranesp (rEPO for Anemia, $4.12Bn sales in 06 for Amgen), Neulasta (PEG G-CSF for neutropenia, $2.7Bn sales in 06 for Amgen), Avonex (Inteferon β 1a for multiple sclerosis, $1.7Bn in sales for Biogen Idec). By 2010 the biopharmaceutical market is expected to represent 17% of all prescriptions written compared with 2004's 12%.

About Biofusion

Biofusion was established in 2002 to commercialise university-generated IP. Biofusion has signed long term agreements with two of the UK's top ten research intensive universities (University of Sheffield and Cardiff University) giving a combined R&D spend attributable to Biofusion of approximately £114 million a year. The Company has a portfolio of 24 spin-out companies.

Biofusion's first agreement was a ten-year exclusive arrangement with the University of Sheffield for the commercialisation of IP owned by the University in the area of medical life sciences. Biofusion has shareholdings in a portfolio of 17 Sheffield University spin-out companies including Asterion, Axordia, Celltran, Lifestyle Choices, Diurnal and Phase Focus. The University of Sheffield was ranked 5th in the UK for the quality of its life sciences research and will be spending an estimated £0.5bn of research funding over the lifetime over the life of the Sheffield Agreement.

In January 2007, Biofusion completed a long-term exclusive agreement with Cardiff University, to commercialise 100% of all Cardiff University's research-generated IP. Biofusion has shareholdings in a portfolio of seven Cardiff University spin-out companies including Abcellute, Q-Chip and Cardiff Protides. Cardiff University was ranked 7th in the UK in the most recent research rankings and will be spending over £1.0bn of research funding over the lifetime over the life of the Cardiff Agreement.