

BTG Licenses Analgesic Compounds from Asterand

Lead Compound Has Potential to Improve the Treatment of Migraine

London, January 27th, 2006

Asterand plc (LSE: ATD) (formerly Pharmagene plc), and BTG plc (LSE: BGC), the medical innovations company announce that the companies have entered into an exclusive licence agreement, whereby BTG acquires the rights to a series of compounds discovered and developed by Asterand to treat painful conditions such as migraine headache.

The compounds arise from Asterand's R4 development programme. They are selective EP4 receptor antagonists, designed to specifically block the actions of prostaglandin E2 involved in pain and inflammation without affecting the beneficial effects of prostaglandins. The lead molecule, BGC20-1531 (previously PGN1531) is in preclinical studies. It prevents prostaglandin E2 induced dilation of blood vessels in human cerebral vasculature an effect which contributes to the pain of migraine headache.

BTG plans to advance the development of BGC20-1531 into clinical trials and will continue the evaluation of this and other molecules in the programme for other therapeutic indications.

BTG will pay Asterand an undisclosed downpayment as well as success-based development milestones and royalties.

Commenting on the acquisition, BTG's CEO Louise Makin said: "These compounds represent a valuable addition to our growing drug development portfolio at BTG. Effective and safe treatments for pain remain an area of significant unmet need and is an area in which we are building our portfolio."

Randal Charlton, Chief Executive Officer of Asterand plc said: "Following the completion of our recent merger Asterand is seeking to realise the value of Pharmagene's therapeutics portfolio. We are delighted to have reached this agreement with BTG and are seeking partners for other programmes. We believe BTG has the necessary resources and expertise to exploit the value of the R4 programme for the benefit of both companies."

About BTG

BTG acquires rights to early stage pharmaceuticals and other medical technologies from a global network of corporations, universities and research institutions. We apply resources, including finance, intellectual property and project management skills to fund and manage outsourced preclinical and clinical development programs. We then commercialise the technologies by licensing to pharmaceutical or device companies, or by creating companies to exploit them. Our pipeline comprises around 50 assets at varying stages of development, contributing to an increasing range of products marketed by our licensees. BTG operates from London, Philadelphia and Osaka. For further information, visit www.btgplc.com.

About Asterand

Asterand plc, formed by the merger of Pharmagene plc and Asterand, Inc. is a leading supplier of high quality human tissue and tissue-based services. Our comprehensive approach to human tissue and research services offers drug discovery companies the unique opportunity to have one company meet all of their human biomaterial needs along the continuum of drug discovery. Our mission is to accelerate target discovery and validation, leading to new and improved therapeutics. www.asterand.com

