

05 March 2014

**Synairgen plc
(‘Synairgen’ or the ‘Company’)**

Licensing update, placing to raise £1.5m and notice of results

Southampton, UK: Synairgen plc (LSE:SNG), the respiratory drug discovery and development company with a particular focus on viral defence of the lungs is pleased to announce that it has raised £1.5 million through the placing of 3,125,000 new ordinary shares at 48p per share to provide working capital to progress current licensing discussions through to a conclusion.

SNG001 licensing

The Board is pleased with the progress to date. Although there can never be a guarantee that a transaction will be completed, licensing discussions are progressing well and it is anticipated that the terms of the agreement will be in line with the Board’s expectations.

Fundraising

In order to provide working capital through to formalisation of the licensing agreement referred to above, the Company has today raised £1.5 million through the issue of 3,125,000 new ordinary shares of 1p each in the capital of the Company (‘Ordinary Shares’) at a price of 48p per Ordinary Share (the ‘Placing’).

The issue of the 3,125,000 new Ordinary Shares (the ‘Placing Shares’) is being made from existing authorities granted to the Directors at the latest annual general meeting. Accordingly, the Placing is not subject to shareholder approval.

Application has been made for the Placing Shares to be admitted to trading on AIM (‘Admission’) and it is expected that such Admission and dealings in the Placing Shares will occur on AIM on 10 March 2014. The Placing Shares will rank pari passu with the existing Ordinary Shares currently in issue. Following Admission, there will be 78,320,891 Ordinary Shares in issue.

Notice of results

The Company anticipates that it will announce its preliminary results for the year ended 31 December 2013 on Thursday 20 March 2014.

Commenting on the licensing negotiations and Placing, Richard Marsden, Chief Executive Officer of Synairgen, said:

“We are pleased to have received the support of our institutional shareholders as we seek to finalise our negotiations and reach a key milestone in the commercialisation of SNG001. We look forward to updating shareholders further in due course.”

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