



Press release

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

Update on LOXL2 Programme and Collaboration with Pharmaxis

£5M payment to Synairgen plus percentage of all future partnering revenues

Southampton, UK – 14 December 2017: Synairgen (LSE: SNG), the respiratory drug discovery and development company, today announces an update to its collaboration agreement with Pharmaxis and the Lysyl Oxidase type 2 (LOXL2) programme. Following the successful completion of preclinical studies and the commencement of the Phase I clinical trial with its LOXL2 inhibitor programme, Pharmaxis and Synairgen have revised the terms of the collaboration.

Under the revised terms, Pharmaxis will take on full operational responsibilities for the programme, including the ongoing Phase I trial of the LOXL2 inhibitor PXS-5382. As a result of the combined work in the collaboration, Pharmaxis is concurrently developing a second LOXL2 inhibitor PXS-5338 (also in Phase I) which will expand partnering opportunities across multiple fibrotic conditions. The revised agreement fixes Synairgen’s interest across all fibrotic indications at circa 17% of all partnering proceeds.

Synairgen will have no further obligations to finance the development of the programme candidates, but will continue to provide technical support for the licensing process.

Pharmaxis will pay Synairgen £5 million cash in consideration for the revised terms.

Richard Marsden, Chief Executive Officer of Synairgen, said: *“Under the existing collaboration, Synairgen generated excellent data to support progression in the rare fibrotic lung disease idiopathic pulmonary fibrosis (IPF) and Pharmaxis has focused on the potentially larger indications of liver fibrosis (including non-alcoholic steatohepatitis (NASH)), cardiac fibrosis and kidney fibrosis. As we draw nearer to an optimal point for partnering the programme, it is more effective and should be more value enhancing to hand all control of the development to Pharmaxis to enable a single point of focus for multi-indication partnering discussions. Having previously been focused toward a lung-related partnering transaction, this change in terms enables Synairgen to benefit significantly from any licence(s) in the non-lung related fibrosis arena.”*

Synairgen has been successfully collaborating with Pharmaxis in the research and development of a number of LOXL2 inhibitors over the past two years. These inhibitors have reduced fibrosis in Synairgen’s primary human cell models (that use cells from patients with fibrosis) and in *in vivo* models of fibrosis, clearly showing the potential of the LOXL2 inhibitors.

This collaboration demonstrates the value of Synairgen’s human disease biobank approach to drug discovery and development. Alongside progression of SNG001 into COPD, we will continue to assess new opportunities where we can add and create value.

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Notes for Editors

About Synairgen

Synairgen is a respiratory drug discovery and development company founded by University of Southampton Professors Stephen Holgate, Donna Davies and Ratko Djukanovic. The business, focused primarily on asthma and COPD, uses its differentiating human biology BioBank platform and world-renowned international academic KOL network to discover and develop novel therapies for respiratory disease. Leveraging its scientific and clinical facilities at Southampton General Hospital, the Company uses *in vitro* and *ex vivo* models to progress opportunities into clinical development. The BioBank of human samples is used in these models to increase confidence in the likelihood of successful drug development. Core to Synairgen's business strategy is the realisation of value via licensing transactions. Synairgen has a relationship with Pharmaxis, which is developing a number of oral LOXL2 inhibitors to reduce fibrosis in patients across a number of indications, including liver fibrosis (NASH) and idiopathic pulmonary fibrosis (IPF). Synairgen is quoted on AIM (LSE: SNG). Synairgen is progressing its SNG001 asset towards a Phase 2 in COPD. For more information about Synairgen, please see www.synairgen.com.