

For Immediate Release



Midatech Receives Manufacturing License in Spain for its Nanoparticles

1 June, 2011 – Bilbao, Spain - Midatech Biogune S. L., the nanoparticle manufacturing subsidiary of the Midatech Group, a global leader and centre of excellence for the design, development, synthesis and manufacture of nanomedicines, is pleased to announce that it has been granted an Investigational Medicinal Products (IMP) License from the Spanish Medicines Agency for the cGMP manufacture of clinical grade nanoparticles at its state-of-the art facility in Bilbao, Spain.

Inspectors from the Spanish Medicines Agency carried out an inspection of the Midatech Biogune facility on the 15th and 16th of February 2011 and thereupon granted the accreditation, making Midatech one of the first companies in Spain to be granted this type of license under the new European regulations.

Justin Barry, CEO, said; "Getting such a rapid and positive response from the Medicines Agency validates the quality of our manufacturing and endorses the investment that Midatech has made into its first class quality systems."

Tom Rademacher CEO and Chairman of the Midatech Group, added; "This is great news for colleagues in Spain, and for Midatech globally. It marks a critical stage in the Company's history in our development as a clinical stage company, with our novel insulin formulation approaching first-in-man trials."

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About Midatech Ltd

Midatech Ltd, UK, is a world leader in the design, synthesis and manufacture of biocompatible nanoparticles. These nanoparticles can be used to create a wide variety of products with novel characteristics, functions and applications for a number of industry segments including life sciences, electronics and fine chemicals.

Founded in 2000, Midatech Ltd is a private company headquartered in Abingdon, Oxford, UK. In 2005, it registered its manufacturing facility – Midatech Biogune S.L. – in Bilbao, Spain, which became fully operational for cGMP standard design and manufacturing of API nanoparticles in March 2007. In 2008, Midatech Ltd further expanded with the opening of PharMida AG in Basel, Switzerland, which is responsible for clinical development of Midatech's products.

Midatech's biocompatible nanoparticles possess a number of unique properties that make them ideal for diagnostic and therapeutic applications. The nanoparticles are water dispersible and can be designed to diffuse freely *in vivo*, or to target specific cells. With a diameter of less than five nm, unbound nanoparticles are rapidly excreted by the kidneys, and thereby reduce the likelihood of non-specific *in vivo* accumulation. Their small size potentially enables drug delivery via different routes of administration, including parental, transdermal, mucosal, intradermal, transbuccal, sublingual or intranasal/inhalation. Furthermore, their high-degree of stability to enzymatic digestion makes them attractive for oral administration. The nanoparticles can be designed to attaching multiple ligands to the nanoparticle surface, thereby allowing multivalent drug or multi-drug delivery on a single particle. Owing to the fact that the nanoparticles self-assemble in a single synthetic step, commercial manufacturing is straightforward, safe, scalable and low cost.

Midatech Ltd. has exclusive world-wide IP for the technology covering design, manufacture and application/use of nanoparticles in both diagnostic and therapeutic pharmaceutical areas as well as in other industries. It also has exclusive world-wide rights for technology relating to the synthesis and applications of self-assembling nanoparticles.

For further company information see www.midatechgroup.com