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For Immediate release



Midatech Expands Collaboration with MonoSol Rx to Deliver Peptides Utilizing Nanotechnology and PharmFilm® Drug Delivery Technology

Expansion Based on Successful Results in Pre-clinical Model

MonoSol Rx makes Equity Investment in Midatech and its CFO to Join Midatech Board

Oxford, UK (June 24, 2010) – Midatech Group Ltd., a global leader and centre of excellence for the design, development, synthesis and manufacture of nanomedicines, today announced the expansion of its agreement with MonoSol Rx (Warren, NJ) to develop nanoparticle-based proteins and peptides for therapeutic delivery using pharmaceutical films. Under the terms of the expanded agreement, MonoSol Rx has made an equity investment in Midatech and Keith Kendall, Executive Vice President and Chief Financial Officer of MonoSol Rx, will join the Midatech Board of Directors.

Commenting on the agreement Professor Tom Rademacher, Chairman of Midatech Group said, “We believe that MonoSol Rx’s PharmFilm® technology is a stable and effective vehicle for delivering a therapeutic dose of our peptide carrying nanoparticles buccally or sublingually for specific indications, thereby eliminating the need for injection or more invasive delivery. The synergy of our two technologies is particularly valuable in indications that can only be treated with injectables, as well as for certain proteins and peptides competing with small molecules for market share.”

A. Mark Schobel, President and CEO of MonoSol Rx, said “We have strengthened our collaboration with Midatech on the heels of positive data indicating the successful delivery of a 6000 dalton polypeptide in a pre-clinical model. Having demonstrated that the size and chemical composition of Midatech’s biocompatible nanocarriers are ideally suited for oral delivery using our PharmFilm® technology, we are continuing to jointly research and develop nanoparticle-based oral film formulations of certain peptides that are currently limited by their need to be injected or infused.”

Since 2008, Midatech and MonoSol Rx have been leveraging the self-assembling glyconanoparticle and PharmFilm® technologies to formulate large molecules for oral bioavailability on film. PharmFilm® formulations under the collaboration have the potential to provide an easy-to-use, noninvasive delivery alternative to many of today’s injectable and intravenous therapeutics.

Keith Kendall said “The expansion of this agreement further solidifies the commitment between MonoSol Rx and Midatech. We also believe that our collaborations with Midatech will reap significant benefits as we work on our development initiatives and execute our plans to jointly file IP to protect the combination of our two technologies in the oral delivery of large molecules. I am looking forward to working more closely with Midatech to help create value for both companies”.

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Notes to editors:

About Midatech Group

Midatech Group 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 soluble and can be designed to either diffuse freely *in vivo*, or to target specific cells. With a diameter of less than 5nm, unbound nanoparticles are freely excreted from the kidneys, reducing the likelihood of non-specific *in vivo* accumulation. Their size potentially enables drug delivery via different routes of administration, such as parental, transdermal, mucosal, intradermal, transbuccal, sublingual or intranasal/inhalation. Their stability to enzymatic digestion may also permit oral therapy. Nanoparticles can be designed to be invisible to the host immune system with multiple ligands attached to a single nanoparticle allowing multivalent drug or multi-drug delivery on a single particle. In addition, as the nanoparticles self-assemble in a single step chemical process manufacturing is simple, safe, scaleable 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

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