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Antisoma plc

Fully underwritten Placing and Open Offer to raise £15.2 million

25 November 2003, London UK: Antisoma plc (London Stock Exchange: ASM), the UK biopharmaceutical company specialising in the development of anti-cancer drugs, today announces that it proposes to raise £15.2 million (£14.0 million net of expenses) by means of a Placing and Open Offer. A prospectus published by the Company and containing details of the Placing and Open Offer (the "Prospectus") is expected to be posted to Shareholders today together with Application Forms in respect of the Open Offer.

Highlights are as follows:

- Placing of 38,010,941 New Shares at 40 pence per share to raise £15.2 million (£14.0 million net of expenses);
- Open Offer to Qualifying Shareholders on the basis of 1 New Share for every 6 Ordinary Shares at 40 pence per share; and
- Placing and Open Offer fully underwritten by Nomura.

Glyn Edwards, Chief Executive Officer of Antisoma, commented:

"This fundraising will lead to a significant enhancement of our pipeline by enabling us to acquire new clinical products and to pursue more ambitious development plans for some of our key established programmes."

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Nomura International plc is acting exclusively for Antisoma in relation to the Placing and the Open Offer and is not advising any other person or treating any other person as its client in relation thereto, and will not be responsible to any person other than Antisoma for providing the protections afforded to its clients nor for providing advice in relation to the Placing and the Open Offer or any other matter referred to in this announcement.

This announcement does not constitute an offer to sell, or the solicitation of an offer to subscribe for, the New Shares in any jurisdiction in which such offer or solicitation is unlawful. The New Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended), under the securities laws of any state of the United States or under the applicable securities laws of Canada, Republic of Ireland, Australia or Japan. Accordingly, unless an exemption under any applicable law is available, the New Shares may not be offered, sold, transferred, taken up or delivered, directly or indirectly, in the United States, Canada, Republic of Ireland, Australia or Japan or any other country outside the United Kingdom where such distribution may otherwise lead to a breach of any law or regulatory requirement.

Antisoma PLC

Fully underwritten Placing and Open Offer to raise £15.2 million

Introduction

Antisoma proposes to raise approximately £15.2 million (approximately £14.0 million net of expenses) through a Placing and Open Offer by an issue of 38,010,941 New Shares at a price of 40 pence per New Share, for which Qualifying Shareholders may subscribe for their pro rata entitlement pursuant to the Open Offer. The Issue Price of 40 pence per New Share represents a discount of 4.25 pence (9.6 per cent.) to the closing middle market price of 44.25 pence for Ordinary Shares trading on the London Stock Exchange on 24 November 2003. The Placing and Open Offer have been fully underwritten by Nomura.

Background to Antisoma

Antisoma is a UK-based biopharmaceutical company focused on the development of novel cancer therapies based on monoclonal antibodies and small molecules. Antisoma currently has three drugs in clinical trials. The Company's lead drug, R1549, is in Phase III development for ovarian cancer and has also completed a pilot Phase II study in gastric cancer. The principal results of the pivotal ovarian study are expected to be available during the first half of 2004 and will form the basis of applications for marketing licences if the results are positive. Two other drugs, R1550 and AS1404, are in Phase I clinical trials, while a third, AS1405, is expected to start clinical trials in early 2004. The Company also has a pre-clinical portfolio that includes a number of programmes with the potential to generate multiple products for clinical development.

Reasons for the Placing and Open Offer and Use of Proceeds

Antisoma plans to use the proceeds of the Placing and Open Offer, together with its existing funds, to further develop and exploit the potential of the product candidates in its pipeline (in addition to those planned developments referred to below) and to enhance the existing pipeline by acquiring additional product candidates. Specific areas to which funds will be applied are detailed below. The Directors believe that additional investment in these areas will provide the Company with a better platform from which to build a sustainable and profitable business in the medium term.

- Acquiring and developing a further product or products already in clinical trials (Phase I or Phase II) in order to increase the number and diversity of product candidates with potential to generate substantial milestone revenue over the next three years and royalties in the medium term. The Company is currently evaluating a number of products to determine their suitability for licensing;
- broadening the Phase II trial programme for AS1404 (DMXAA), which Antisoma intends to start promptly after Phase I trials finish in early 2004. A broader programme would include the simultaneous evaluation of the drug in different cancer types, in each case combining AS1404 with an established anti-cancer therapy for the type of tumour being treated. AS1404 has shown promising anti-cancer effects in pre-clinical studies of such combination regimens. The Directors believe that a wider development programme will allow Antisoma to broaden the drug's market potential and facilitate the identification of the most rapid route to market;
- pursuing the rapid development into clinical trials of a novel antibody-cytokine drug that Antisoma has co-developed with Lexigen, a US biotechnology company. The drug uses the targeting ability of the antibody BC1 to deliver the potent anti-tumour cytokine IL12 to cancer cells and has been shown to have anti-tumour effects in pre-clinical models of several different cancers. Antisoma describes this type of approach as ATTACK (Anti-tumour Therapy with Targeting Antibodies and CytoKines); and
- progressing more rapidly the development into clinical trials of AS1406 (huHMFG1-RNase), the leading candidate from Antisoma's targeted apoptosis approach, for which pre-clinical studies from the US National Institutes of Health have demonstrated promising activity against both solid and blood cancers. Additional funds will allow the pursuit of parallel development approaches in both of these areas.

The net proceeds of the Placing and Open Offer are expected to be £14.0 million. While it is difficult to be precise before in-licensing is complete, the Directors believe it would be reasonable to apportion the additional expenditure as follows: approximately £3 million would be spent on in-licensing and success fees, approximately £3 million on pre-clinical development and approximately £8 million on clinical development.

Current Trading and Prospects

The Chairman of Antisoma indicated at the time of the Company's preliminary results for the year to 30 June 2003, announced on 18 September 2003, that Antisoma had achieved a step change in its position following the formation of the alliance with Roche in November 2002 and the associated receipt of £23.2 million in upfront payments. Results for the first quarter to 30 September 2003, announced on 12 November, showed that the Company had £31.2 million in cash and short term investments at that date, compared with £15.4 million one year before. Antisoma acquired additional royalty rights from Cytogen for R1549 for £303,000 in September 2003. Antisoma also added to its pre-clinical portfolio in September 2003 by in-licensing a programme of telomerase inhibitors from CRT for an upfront payment plus additional milestone payments to be paid as products are developed. The Directors believe that losses and cash outflows will continue for a number of years, reflecting ongoing investment in the development of the Company's drug pipeline at levels exceeding revenues received from Roche. The Company is continuing to progress the development of its product portfolio and is confident of the Group's prospects for the end of the current financial year.

Under current plans and based on the present cash position (without taking into account the proceeds of the Placing and Open Offer) the Directors expect that progress to June 2005 will include:

- completion of R1549 Phase III ovarian cancer study plus two supporting studies;
- completion of R1550 Phase I breast cancer study;
- completion of current AS1404 Phase I study and one combination study;
- completion of pre-clinical development of AS1405 and two Phase I studies in addition to the initiation of one Phase II study;
- completion of pre-clinical development of AS1406 and receipt of a licence to start clinical trials;
- identification of candidates from the telomerase programme and progression of their pre-clinical development; and
- progression of pre-clinical evaluation of AS1408.

The Company is pleased to announce that Birgit Norinder has agreed to join the Board as a non-executive Director with effect from the AGM. Mrs Norinder is a trained pharmacist and has held senior executive positions in Research and Development at a number of international pharmaceutical companies, including Pharmacia & Upjohn Corp (Senior Vice President, Worldwide Product Development), Glaxo Group Research Ltd (Director, International Regulatory Affairs Division), Astra Research Centre AB (Vice President, Infection R&D), Pfizer Inc and Parke Davis AB. She has also served as CEO and Chairman of Profilix Ltd, a biotechnology company focusing on oncology. She serves on several boards of both privately and publicly owned biotechnology companies including two listed companies: PhotoCure ASA, Norway and Probi AB, Sweden.

Details of the Placing and Open Offer

The Company is proposing to raise approximately £15.2 million (approximately £14.0 after expenses of the Placing and the Open Offer) by the issue of 38,010,941 New Shares at the Issue Price. Certain Directors have irrevocably undertaken to take up all or part of their entitlements as Qualifying Shareholders pursuant to the Open Offer. Under the Placing Agreement, Nomura has agreed to use its reasonable endeavours to place the remaining New Shares at the Issue Price, failing which, itself to subscribe for such New Shares, subject to clawback to satisfy valid acceptances under the Open Offer. Certain Qualifying Shareholders have irrevocably undertaken not to take up a total of 8,171,103 New Shares and these will be placed firm with places under the Placing. Qualifying Shareholders will be given the opportunity to apply under the Open Offer for New Shares at the Issue Price, free of expenses, pro rata to their existing holding of Ordinary Shares on the Record Date, on the following basis:

1 New Share for every 6 Ordinary Shares

held by such Qualifying Shareholders on the Record Date. Fractional entitlements to New Shares will not be allocated but will be disregarded and entitlements rounded down to the nearest whole number of New

Shares. Any fractional entitlements that would otherwise have arisen will be aggregated and issued under the Placing for the benefit of the Company.

The Placing and the Open Offer are conditional, *inter alia*, upon the Placing Agreement having become unconditional and not having been terminated in accordance with its terms. If the conditions of the Placing Agreement are not fulfilled or, if capable of waiver, waived, on or before the relevant time and date specified in the Placing Agreement, application monies are expected to be returned (at the applicant's risk), without interest, within 14 days thereafter.

The New Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares. Application has been made to the UKLA for the New Shares to be admitted to the Official List. Application has also been made to the London Stock Exchange for the New Shares to be admitted to trading on its market for listed securities. It is expected that admission to listing of such securities will become effective and dealings on the London Stock Exchange will commence on 19 December 2003.

Qualifying Shareholders will receive with this document an Application Form containing details of their entitlements to subscribe for New Shares. The terms of the Open Offer provide that Qualifying Shareholders may make a valid application for any number of New Shares up to and including their *pro rata* entitlements as shown on the Application Form.

Shareholders should be aware that the Open Offer is not a rights issue and that entitlements to New Shares will not be tradable or sold in the market for the benefit of those who do not apply under the Open Offer.

The latest time and date for acceptance and payment in full under the Open Offer is expected to be 3p.m. on 17 December 2003.

Further details of the Open Offer are set out in the Prospectus and the Application Forms.

Extraordinary General Meeting

An Extraordinary General Meeting is to be held at 10.00 a.m. on 18 December 2003 at the offices of CMS Cameron McKenna, Mitre House, 160 Aldersgate Street, London EC1A 4DD, at which resolutions will be proposed to enable the Placing and Open Offer to proceed and to refresh the general authorities to allot shares and associated dis-application of pre-emption rights to reflect the Placing and Open Offer. The Placing and Open Offer is conditional on Resolution 1 being passed at the EGM.

Expected timetable

2003

Record date for entitlement under the Open Offer	21 November
Latest time and date for splitting Application Forms	3 p.m. on 15 December
Latest time and date for receipt of Forms of Proxy	10 a.m. on 16 December
Latest time and date for receipt of Application Forms and payment in full	3 p.m. on 17 December
Extraordinary General Meeting	10 a.m. on 18 December
Dealings expected to commence in the New Shares	8 a.m. on 19 December
New Shares in uncertificated form expected to be credited to CREST accounts	19 December
Definitive certificates for New Shares in certificated form expected to be dispatched	By 29 December

Disclaimer

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This announcement does not constitute an offer to sell, or the solicitation of an offer to subscribe for, the New Shares in any jurisdiction in which such offer or solicitation is unlawful. The New Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended), under the securities laws of any state of the United States or under the applicable securities laws of Canada, Republic of Ireland, Australia or Japan. Accordingly, unless an exemption under any applicable law is available, the New Shares may not be offered, sold, transferred, taken up or delivered, directly or indirectly, in the US, Canada, Republic of Ireland, Australia or Japan or any other country outside the United Kingdom where such distribution may otherwise lead to a breach of any law or regulatory requirement.

Definitions

Unless the context requires otherwise, the following definitions apply throughout the announcement:

“AGM”	the Annual General Meeting of the Company to be held on 9 December 2003
“Antisoma” or the “Company” or “Antisoma Group” or the “Group”	Antisoma plc, together where appropriate, with its subsidiary undertakings (as defined in section 258 of the Act)
“Antisoma Option Scheme” or the “Option Scheme”	The Antisoma plc Company Share Option Plan
“antibody”	A protein molecule formed by the immune system that reacts specifically with a particular antigen
“antigen”	A molecule targeted by an antibody and capable of stimulating the production of antibodies against itself. Many cancer antigens do not stimulate the human immune system strongly, but antibodies against them can be obtained by introducing them into another species
“apoptosis”	Programmed cell death - a natural process that plays a vital role in the development, maintenance and renewal of tissues and organs. Failure of apoptosis may be a cause of cancer
“Application Form”	the application form issued to Qualifying Shareholders relating to the Open Offer, which accompanies this document
“BC1”	An antibody recognising and binding to a protein, oncofoetal fibronectin, that is associated with tumour blood vessels
“Board” or “Directors”	The board of directors of Antisoma
“cancer”	A broad term used to describe a group of diseases which are characterised by uncontrolled growth and spread of abnormal cells
“certificated form”	An Ordinary Share which is not in uncertificated form
“clinical trials”	The study in humans of medicinal product candidates in order to determine their safety and efficacy. They are generally classified into phases I to III
“CREST”	the relevant system (as defined in the Regulations) in respect of which CRESTCo Limited is the Operator (as defined in such Regulations) in accordance with which listed securities may be held and transferred in uncertificated form
“cytokine”	A chemical messenger; cytokines are essential for a co-ordinated immune response
“DMXAA”	5,6,-Dimethylxanthenone-4-acetic acid - the chemical name for AS1404
“DNA”	Deoxyribonucleic acid (DNA) and ribonucleic acid (RNA) are the two chemical substances involved in the genetic transmission of characteristics from parent to offspring and in the manufacture of proteins
“Existing Ordinary Shares”	the 228,065,648 Ordinary Shares in issue at the close of business on 24 November 2003, being the latest practicable date prior to the publication of this document
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company to be held at 10.00 a.m. on 18 December 2003 (or any adjournment thereof)
“gastric”	relating to the stomach
“HMFG1”	A mouse monoclonal antibody isolated in response to human milk fat globule, a component of human milk. This antibody or its humanised derivative

	provide the targeting component of R1549, R1550 and AS1406
“IL12”	a cytokine with a wide range of biological effects; when given as a drug it has been shown to have anti-tumour activity
“indication”	the use for which a drug is intended. For example, one of the indications for which R1549 is being developed is adjunctive therapy of ovarian cancer in women who enter remission following surgery and chemotherapy
“Issue Price”	the price of 40 pence per New Share payable under the Placing and Open Offer
“Lexigen”	EMD Lexigen
“London Stock Exchange”	London Stock Exchange plc
“molecule”	A chemical substance made up of two or more atoms
“monoclonal antibody”	an antibody made from a single clone (hybridoma) of white blood cells, and with specificity against a single antigen target
“NASDAQ Europe”	NASDAQ Europe S.A./ N.V., a subsidiary of the NASDAQ Stock Market, Inc.
“New Shares”	the new Ordinary Shares proposed to be issued pursuant to the Placing and Open Offer
“Nomura”	Nomura International plc
“Official List”	the Official List of the UK Listing Authority
“Open Offer”	the conditional invitation by Nomura, on behalf of the Company, to Qualifying Shareholders to apply to subscribe for New Shares on the terms and subject to the conditions set out or referred to in the Prospectus and in the Application Form
“Ordinary Shares”	Ordinary shares of 1 penny each in the capital of Antisoma
“ovarian cancer”	Cancer of the ovaries
“Overseas Shareholders”	Shareholders on the register of members of the Company as at the close of business on the Record Date who have registered addresses or are residents of countries outside the United Kingdom
“Phase I”	Studies in small numbers (often no more than 20) patients to determine how a molecule behaves in the body, how well tolerated it is and which dose or doses might be most appropriate
“Phase II”	Studies that assess the product candidate's short-term safety and preliminary efficacy in a limited number of patients with the relevant disease
“Phase III”	Studies that involve a comprehensive evaluation of safety and efficacy of the product candidate in a sufficient number of patients to obtain statistically significant results
“pivotal study”	a key study, results of which will be a major determinant of regulatory approval
“Placing”	the conditional placing of New Shares at the Issue Price by Nomura pursuant to the Placing Agreement as described in the Prospectus
“Placing Agreement”	the placing and open offer agreement dated 25 November 2003 between the Company and Nomura as described in the Prospectus
“Pre-clinical studies”	these are tests carried out on a product candidate, manufactured to meet regulatory guidelines, to ensure product safety and quality prior to commencing studies in humans. These tests investigate the toxicity and efficacy in model systems, safety and stability of the product candidate and also validate the GMP manufacturing processes. Certain of these tests will often continue after commencement of human clinical studies
“product candidate”	A substance that has the potential to become a therapeutic product

“Prospectus”	Antisoma prospectus dated 25 November 2003
“Qualifying Shareholders”	holders of Ordinary Shares on the register of members of the Company as at the close of business on the Record Date, other than certain Overseas Shareholders as referred to in the Prospectus
“Record Date”	the record date for the Open Offer, being 21 November 2003
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 1002 No. 3755)
“Resolutions”	the resolutions set out in the notice of EGM set out at the end of the prospectus
“RNA”	see DNA
“RNase”	enzyme that degrades RNA
“Roche”	F. Hoffmann-La Roche Limited and/or its affiliates, as the context may require
“Shareholders”	holders of Ordinary Shares
“small molecule drugs”	drugs that have a molecular weight of 500 or less and can more easily pass through membranes than larger molecules. These drugs are more likely to be delivered orally
“telomeres”	protective regions found at the ends of chromosomes, the structures into which DNA is packaged in each cell
“telomerase”	an enzyme responsible for maintaining telomeres
“tumour”	a mass of new tissue growth as seen in many types of cancer
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UKLA”	the UK Listing Authority, being the Financial Services Authority acting as the competent authority for the purposes of Part 6 of the Financial Services and Markets Act 2000
“US”, “USA”, or “United States”	the United States of America, its territories and possessions and any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction
“uncertificated form”	an Ordinary Share which is for the time being recorded on the Company's register of members as being held in uncertificated form in CREST, and title to which by virtue of the Regulations, may be transferred by means of CREST