

**Merrion Pharmaceuticals Plc**  
**Announces expansion of capabilities**  
**22 July 2009**

Merrion Pharmaceuticals plc (IEX: MERR), an international specialty pharmaceutical development company today announced that it has acquired a new facility with a view to significantly expanding its current R&D capabilities.

The Company has acquired a 28,891 sq.ft. pharmaceutical facility in Citywest, Co Dublin. The facility is ideal for Merrion's R&D requirements as the previous owners had adapted the premises for use as an oral formulation development and manufacturing facility. Merrion paid a total of €3.75m for the facility and its pharmaceutical equipment.

Commenting on the acquisition John Lynch CEO said "We are delighted with the purchase. We have been expanding rapidly over the last 12 months and it became apparent that we needed additional R&D space to undertake our existing workload and to potentially increase the number of products in development. We have been extremely fortunate to find a facility which met our needs, at a very competitive price and is configured exactly for our requirements. The facility also includes all the relevant pharmaceutical equipment needed for our activities."

The consideration will be satisfied by €0.9m of cash and €2.85m in secured borrowings. €2.1m of the €2.85m borrowings is in the form of a 15 year mortgage with an additional €750k loan for the equipment, which is repayable over 4 years.

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