

Merrion Pharmaceuticals plc announces commencement of Second feasibility collaboration programme with the Swiss based Ferring Pharmaceuticals SA

Dublin, Ireland – 14th September 2009

Merrion Pharmaceuticals plc, (“Merrion”) today announced the commencement of a second oral drug delivery research collaboration programme with Ferring Pharmaceuticals, on an undisclosed Ferring compound. The programme will evaluate the ability of Merrion’s GIPET® technology to boost the compound’s oral bioavailability.

“We are very pleased to have progressed to working on a second of Ferring’s compounds while also building a relationship with this important company. We believe there can be substantial benefit to patients in having an improved oral formulation of this compound available – and our GIPET® technology has shown the ability to improve the oral bioavailability.” John Lynch, Merrion’s CEO said today.

In more than 20 clinical studies, GIPET technology has been shown to improve the oral absorption of a wide range of drugs, by up to 46 times. Drugs studied ranged from small molecules to small proteins. Merrion currently has four products in development, as well as several collaboration agreements with pharmaceutical partners, using this technology.

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About Merrion:

Merrion Pharmaceuticals (www.merrionpharma.com) is a publicly listed specialty pharmaceutical company engaged in the development of oral forms (tablets/capsules) of drugs that have poor absorption and are generally given by injection. Merrion was established in 2004 to commercialise various technologies acquired from Elan Corporation, plc. Merrion's patented drug delivery technologies increase bioavailability, by improving absorption in the gastrointestinal tract, of drugs that are otherwise poorly absorbed. This can provide substantial benefit in patient convenience and safety, and might also provide enhanced drug efficacy. Merrion utilises its technology to develop new oral drugs in two ways; it develops its own proprietary drugs using GIPET® and partners with other pharmaceutical companies in developing oral GIPET® formulations of their products.

Merrion currently has four internal product development programs based on its GIPET® technology.

- Orazol (MER 101) is an oral bisphosphonate for oncology indications currently in Phase II development. This product aims to allow cancer patients with bone metastases take a weekly tablet to get the gold standard treatment in this area, rather than an IV infusion.
- Almerol (MER 103), which is also an oral bisphosphonate, for the treatment of osteoporosis, has completed Phase II clinical trials. Based on the market-leading drug, this programme aims to provide similar absorption in just 8% of the current dose, with a simplified dosing regimen and an improved side effect profile.
- Acyline (MER 104) is a second oral oncology product for the treatment of prostate cancer, which is in Phase I clinical testing. This programme aims to be the first oral product in the area of GnRH analogues. Products in this class also have several other male/female health indications.
- MER 102 an oral anticoagulant is in preclinical testing. This programme aims to be the first oral product in LMWH class of drugs, and to offer patients the alternative to daily injections.

Merrion has agreements with several pharmaceutical companies.

- On January 16, 2009 Merrion announced the execution of an agreement with Novo Nordisk, a world leader in Diabetes, to develop and commercialize oral forms of Novo Nordisk proprietary GLP-1 receptor agonist using Merrion's proprietary GIPET technology. This was the second license agreement between Merrion and Novo Nordisk, which have combined milestones of \$116 Million for the first product developed which reaches the market, as well as development fees and royalties on sales.

Merrion has operations in Dublin, Ireland and Wilmington, NC, USA.

About GIPET™

Merrion's Gastrointestinal Permeation Enhancement Technology (GIPET™) is a clinically proven platform technology for the oral delivery of many poorly permeable compounds, with resultant improvements in patient compliance, safety and efficacy.

In all more than 20 different drugs, including small organics, peptides, and other macromolecules have shown substantial improvement in oral bioavailability with GIPET™. Merrion's model allows rapid and low cost screening of several GIPET™ formulations to select the optimal form for further development. The leading GIPET™ enhancer matrices enjoy food additive status (GRAS) and are normal dietary components with long records of safe use. Clinical safety data for GIPET™ show that all GIPET™ treatments were well tolerated and no treatment-related adverse events were recorded.