

## **Merrion Pharmaceuticals plc**

("Merrion" or the "Company")

Completion of Placing  
15<sup>th</sup> October 2009

Merrion Pharmaceuticals plc today announces that it has secured €600,000 from a placing of 164,383 new ordinary shares of €0.01 each (the "**Placing Shares**") with Enterprise Ireland at a placing price of €3.65 per Placing Share (the "**Placing**"). The proceeds from the Placing will be used by Merrion to invest in product development activities.

Pursuant to the Placing, an application will be made for the admission of the Placing Shares to trading on IEX. The Placing Shares, which will be issued fully paid, will rank pari passu in all respects with the existing ordinary shares of the Company. Admission of the Placing Shares to trading on IEX is expected to occur on 21 October 2009.

As a result of the Placing, the total number of ordinary shares in Merrion carrying voting rights as at 14 October 2009 will increase to 17,131,510. This figure should be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interests in, or a change to their interests in, the Company.

John Lynch, Chief Executive of Merrion said:

*"We are very pleased with this investment from Enterprise Ireland which will help us expand our capabilities and enhance our capacity to grow and develop our product range here in Ireland. The successes that we have had in the last 12 months, major license deals with Novo Nordisk for oral insulin and oral GLP-1, excellent Phase IIb results for Orazol as well as the advantageous acquisition of state of the art facilities at Citywest, Dublin, leave us very well positioned for growth".*

### **Further information:**

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## About Merrion:

Merrion Pharmaceuticals ([www.merrionpharma.com](http://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 2003 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 is an oral anticoagulant in preclinical testing. This programme aims to be the first oral product in the LMWH class of drugs, and to offer patients an 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 commercialise 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 will 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