



Silence Therapeutics announces completion of merger with Intradigm Corporation and issue of new shares

London, UK 5 January 2010 Silence Therapeutics plc (“the Company”) (AIM: SLN) and Intradigm Corporation announce that the companies have completed their merger to form a leading company in the field of RNAi (RNA interference). The enlarged company, named Silence Therapeutics, possesses multiple RNAi discovery, development and delivery technologies, an advancing internal and partnered product pipeline and a broad portfolio of intellectual property. The merged company believes that its expanded business will facilitate more deals of greater value with the pharmaceutical industry by offering potential partners a choice of technologies to deliver RNAi molecules to diseased tissue. Additionally, Silence Therapeutics will actively develop and advance its own RNAi therapeutic candidates.

“One of the primary drivers of this merger was the desire to establish a one-stop shop for delivering small interfering RNA or siRNA,” said Philip Haworth, Ph.D., Chief Executive Officer of the enlarged Silence Therapeutics. “With the completion of this merger, we are able to offer the most diverse and robust delivery capability for siRNA in terms of the scope of the technology platform. As such, we believe we are going to be the partner of choice in the industry.”

Iain Ross, chairman of Silence Therapeutics, said: “With the completion of this merger with Intradigm, Silence Therapeutics is about to start on an exciting new chapter. With broader and stronger delivery capabilities and a promising clinical programme, Silence Therapeutics is well-positioned to reward the support and commitment shown by its shareholders.”

Silence Therapeutics also announces that it has raised £15m via a subscription and placing with institutional investors and the investment vehicles of major pharmaceutical companies. The proceeds of the fundraising will be used to develop the technologies and products of the enlarged group.

As a result of these transactions the Company has issued the following shares:

- a. 79,640,668 new ordinary shares in consideration for the acquisition of the entire issued share capital of Intradigm Corporation, and
- b. 65,217,392 new Ordinary Shares at 23p per share in respect of the subscription and placing.

Pursuant to AIM Rule 14 (regarding reverse takeovers), all existing shares in Silence Therapeutics were cancelled and readmitted to trading on AIM. In addition, shares

issued as part of the acquisition of Intradigm, the subscription and the placing have also been admitted to trading. All shares rank pari passu.

The number of ordinary shares with voting rights in issue is now 279,891,452.

Upon the completion of the transaction, Mr Jeremy Curnock Cook, Mr Peter Reynolds and Mr Bernd Wetzel resigned as directors of Silence Therapeutics plc. The Company has appointed the following new directors:

Dr Philip Haworth (aged 54) as Chief Executive Officer
Dr James Topper (aged 47) as Non-executive director, and
Dr David Mack (aged 48) as Non-executive director.

Further biographical details are set out in the Admission document sent to shareholders on 16 December 2009 which is available on the company website (www.silence-therapeutics.com)

Dr James Topper is a member of Frazier Healthcare Ventures (FHM V, LLC) which indirectly holds 27,265,465 shares in the Company (9.74% of the issued share capital and total voting rights of the Company).

Dr David Mack is a director of ACP IV, LLC which holds 25,356,422 shares in the Company (9.06%).

Dr Philip Haworth holds 334,302 shares in the Company (0.12%) and has today been granted options over 1,325,000 shares, exercisable in stages at 21.225p per share.

Mr Melvyn Davies, Finance director, has also today been granted options over a further 300,000 shares, exercisable in stages at 21.225p per share.

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About Silence Therapeutics plc (www.silence-therapeutics.com)

Silence Therapeutics plc (AIM: SLN) is a leading global biotechnology company dedicated to the discovery, development and delivery of targeted, systemic RNA interference (RNAi) therapeutics for the treatment of serious diseases. The company possesses multiple proprietary siRNA delivery technology platforms including AtuPLEX, a system that enables the functional delivery of siRNA molecules to targeted diseased tissues and cells, while increasing their bioavailability and intracellular uptake. Through the merger with Intradigm, the group has a second, complementary delivery technology offering safe and effective systemic administration using a library of novel peptide-based biodegradable polycationic polymers.

Additionally, the company has a platform of novel short interfering RNA (siRNA) molecules, AtuRNAi, which provide a number of advantages over conventional siRNA molecules, including increased stability against nuclease degradation. Silence's unique RNAi assets also include structural features for a next generation of RNAi molecules and additional proprietary siRNA sequences against more than 50 highly valued oncology and other disease targets.

Silence's lead internal product, Atu027, is a proprietary AtuRNAi molecule in clinical development for systemic cancer indications. Atu027 has successfully completed single and repeat dose toxicology and geno-toxicology studies, as well as a 28-day toxicology study using multiple dosing regimens. In June 2009, the company initiated an open-label, single-centre, dose-escalation Phase I study with Atu027 in patients with advanced solid (malignant) tumors involving single, as well as, repeated intravenous administration.

Silence is one of only two companies worldwide with a proprietary position on composition of matter for siRNA therapeutics. In addition, through the merger with Intradigm the group has an impressive proprietary portfolio of siRNA sequences against more than 50 highly valued oncology and other disease targets and has secured an exclusive license to the Zamore patent family from the University of Massachusetts, which covers broad structural features of siRNA design for more potent next generation siRNA sequences.

Silence Therapeutics is based in London, Berlin and Palo Alto, CA, and is listed on AIM.

Forward-Looking Statements

This press release includes forward-looking statements that are subject to risks, uncertainties and other factors. These risks and uncertainties could cause actual results to differ materially from those referred to in the forward-looking statements. All forward-looking statements are based on information currently available to Silence Therapeutics and Silence Therapeutics assumes no obligation to update any such forward-looking statements.

