

## **Algeta voted innovator of the year in Norway**

**Oslo, Norway, 16 April 2010 – Algeta ASA (OSE: ALGETA), the focused oncology company, is pleased to announce that it has been voted winner of the 2010 NHO innovation award by the Confederation of Norwegian Enterprise (NHO) in Oslo and Akershus.**

Algeta is developing next-generation cancer treatments based on its alpha-pharmaceutical platform. The company has gained widespread publicity for its development of a potential new therapy for cancer patients with advanced bone metastasis. The clinical trials so far have demonstrated prolonged survival and improved quality of life for such patients.

Founder Roy H. Larsen came up with the idea while studying for his doctorate at Radiumhospitalet (currently Northern Europe's largest cancer center) in 1993. His supervisor Professor Øyvind S. Bruland was also keen on the idea, and together they started Algeta in 1997.

Algeta's first product candidate, Alpharadin, is currently in the final clinical trial phase for treatment of bone metastases in patients with prostate cancer. In previous studies, Algeta demonstrated that treatment with Alpharadin prolongs life and has only mild side-effects.

The jury for the NHO innovation award presented extensive justification for making the award to Algeta this year. Among other things, it emphasised Larsen's and Bruland's ability to combine scientific innovation with an ambition to create novel products through a new business enterprise based on interdisciplinary international collaboration.

According to the jury, the company has proved its durability through comprehensive and long-term research and development activities. Since 1997, Algeta has invested NOK 500 million in research. The company has also a proven ability to develop unique products for a global market, and which are attractive to influential business partners. Algeta achieved a vital breakthrough on the market in 2009 through a comprehensive contract with pharmaceutical giant Bayer AG, worth NOK 5 billion. The company's R&D commitment has also gained the confidence of investor circles; in 2009, Algeta secured NOK 250 million by floating shares in the company, and the value of those shares increased by more than 500 per cent over the last year.

A second criterion laid down by the jury was Algeta's commitment to manufacturing its lead product Alpharadin in Norway. A joint venture contract with IFE – Institute for Energy Technology will guarantee future manufacturing, and production capacity at the IFE laboratories is to be extended. The deal with Algeta means a NOK 75 million investment to extend the IFE isotope laboratories, which will create new jobs.

"The award winner's achievements are outstanding. This is definitively the biggest success story in Norway in this sector," says Jónas Einarsson MD, Chairman of the Board of Oslo Cancer Cluster.

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*The NHO innovation award has been presented each year since 1981. The award criteria are:*

- *The enterprise must have proven durability, financial growth and value increase*
- *It must be based on unique innovations and pioneering endeavours*
- *It must demonstrate potential for international markets and international partnerships*
- *The enterprise must operate with long-range prospects*

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**About Algeta**

*Algeta is a focused oncology company developing novel targeted therapies for patients with cancer based on its alpha-pharmaceutical platform.*

*Algeta's lead product Alpharadin (based on radium-223) is a first-in-class, highly targeted alpha-pharmaceutical under clinical evaluation to improve survival in patients with bone metastases from advanced cancer. Its localized action helps preserve the surrounding healthy tissue thereby limiting side-effects.*

*The development of bone metastases represents a serious development for cancer patients as they are associated with a dramatic decline in patient health and quality of life, ultimately leading to death. Bone metastases represent a major unmet medical need, occurring in up to 90% of certain late-stage cancers, e.g. prostate, breast and lung.*

*Alpharadin is partnered with Bayer Schering Pharma AG, a major pharmaceutical company, and is in a global phase III clinical trial (ALSYMPCA) to treat bone metastases resulting from hormone-refractory (castration-resistant) prostate cancer. Alpharadin is also under investigation in phase II clinical trials as a potential new treatment for bone metastases in endocrine-refractory breast cancer patients.*

*Algeta also aims to develop a future pipeline of tumor-targeting alpha-pharmaceutical candidates based on the alpha particle emitter thorium-227, through selective in-licensing and/or acquiring innovative technologies and tumor-targeting molecules.*

*The Company is headquartered in Oslo, Norway, and was founded in 1997. Algeta listed on the Oslo Stock Exchange in March 2007 (Ticker: ALGETA).*

*Alpharadin and Algeta are trademarks of Algeta ASA.*

**Forward-looking Statement**

*This news release contains forward-looking statements and forecasts based on uncertainty, since they relate to events and depend on circumstances that will occur in the future and which, by their nature, will have an impact on results of operations and the financial condition of Algeta. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking*

*statements. These factors include, among other things, risks associated with technological development, the risk that research & development will not yield new products that achieve commercial success, the impact of competition, the ability to close viable and profitable business deals, the risk of non-approval of patents not yet granted and difficulties of obtaining relevant governmental approvals for new products.*

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