



## **Algeta concludes agreements for the manufacture and supply of Alpharadin for future commercial sale.**

### **Triggers EUR 5 million milestone payment from Bayer Schering Pharma**

**Oslo, Norway, 22 July 2010 - Algeta ASA (OSE: ALGETA), the focused oncology company, today has announced it has concluded two agreements for the manufacture and supply of Alpharadin for future commercial sale. Alpharadin (radium-223) is a novel, targeted alpha-pharmaceutical in clinical trials for treating bone metastases in cancer patients.**

The signing of these agreements triggers a EUR 5 million milestone payment from Bayer Schering Pharma ("Bayer"), Algeta's development and commercial partner for Alpharadin.

The first agreement, with Bayer, provides that Algeta will be the exclusive supplier of Alpharadin for future commercial sale.

The second agreement sees Algeta significantly extend its collaboration with Oslo's Institute for Energy Technology (IFE), which currently manufactures Alpharadin for Algeta/Bayer's ongoing ALSYMPCA phase III study and clinical trials in other cancer indications. Under the terms of this second agreement, IFE, in conjunction with Algeta, will commence an expansion of the existing Alpharadin production facility at IFE. The upgrade, which will be paid for by Algeta, will create a state-of-the-art manufacturing facility to supply the expected commercial demand around the world following approval and launch.

Andrew Kay, Algeta's President and CEO said: "IFE has proved to be an excellent manufacture and supply partner of Alpharadin for all our clinical trials to date. We look forward to continuing our work together with IFE to secure the future clinical and commercial supply of Alpharadin."

He added: "Algeta and IFE have developed world-leading expertise in the production of the alpha-emitters that underpin our alpha-pharmaceutical platform. As a consequence, the new, state-of-the-art facility will also provide an important advantage to Algeta as it looks to advance its Thorium platform. The conclusion of these agreements, therefore, is a very positive development for Algeta."

###

### **For further information, please contact**

#### **For Algeta**

Andrew Kay, CEO  
Oystein Soug, CFO

+47 2300 7990 / +47 4840 1360 (mob)  
+47 2300 7990 / +47 9065 6525 (mob)  
[post@algeta.com](mailto:post@algeta.com)

*International media enquiries:*  
Mark Swallow/Helena Galilee/David  
Dible  
Citigate Dewe Rogerson

+44 207 638 9571  
[mark.swallow@citigatedr.co.uk](mailto:mark.swallow@citigatedr.co.uk)

*US investor enquiries:*

+1 646 378 2928

Jessica Lloyd  
The Trout Group

[jilloyd@troutgroup.com](mailto:jilloyd@troutgroup.com)

### **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.*

[www.algeta.com](http://www.algeta.com)

### **About IFE (Institute for Energy Technology)**

*IFE is an international research institute for energy and nuclear technology. IFE's mandate is to undertake research and development, on an ideal basis and for the benefit of society, within the energy and petroleum sector, and to carry out assignments in the field of nuclear technology for the nation. The Isotope Laboratories at IFE are a national centre of expertise for radiopharmaceuticals. The Institute was founded in 1948, and is today an independent foundation. The annual turnover is approximately NOK 650 M, and IFE has approximately 600 employees.*

[www.ife.no/index\\_html-en?set\\_language=en&cl=en](http://www.ife.no/index_html-en?set_language=en&cl=en)

### **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.*

###