PATENT ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT

CONVEYING PARTY DATA

Name	Execution Date
ARGENTA DISCOVERY 2009 LIMITED	01/26/2010

RECEIVING PARTY DATA

Name:	ARGENTA THERAPEUTICS LIMITED
Street Address:	8-9 Spire Green Centre
Internal Address:	Flex Meadow
City:	Harlow CM19 5TR
State/Country:	UNITED KINGDOM

PROPERTY NUMBERS Total: 1

Property Type	Number
Application Number:	12264621

CH $40.00 12264621

CORRESPONDENCE DATA

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ATTORNEY DOCKET NUMBER:	GJE.8084C1
NAME OF SUBMITTER:	David R. Saliwanchik

Total Attachments: 37
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DATED 26 JANUARY 2010

(1) ARGENTA DISCOVERY 2009 LIMITED
(as Transferor)

– and –

(2) ARGENTA THERAPEUTICS LIMITED
(as Transferee)

BUSINESS TRANSFER AGREEMENT

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relating to the transfer of the development business of Argenta Discovery 2009 Limited by way of capital reduction

McGrigors

McGrigors LLP
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EC4M 7BA
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THIS AGREEMENT is made as a Deed on the 26th day of January 2010

BETWEEN:

(1) **ARGENTA DISCOVERY 2009 LIMITED** a company registered in England and Wales with registered number 6920289 and having its registered office at 8-9 Spire Green Centre, Flex Meadow, Harlow CM19 5TR (the "**Transferor**"); and

(2) **ARGENTA THERAPEUTICS LIMITED** a company registered in England and Wales with registered number 7087533 and having its registered office at 8-9 Spire Green Centre, Flex Meadow, Harlow CM19 5TR (the "**Transferee**"),

(together the "**parties**" and each a "**party**").

WHEREAS:

(A) The Transferor has commenced a reorganisation of its business and assets (the "**Reorganisation**").

(B) As part of the Reorganisation proposals, the Transferor by resolution of its directors dated 25 January 2010, resolved *inter alia* to cancel, by way of reduction of capital, the "B" ordinary shares (the "**B Shares**") in the capital of the Transferor and its share premium account by approximately £3.75m, to be satisfied by the transfer of its Development Business (as defined below) comprising the Assets (which includes the sum of £3.75m (the "**Development Cash**") to the Transferee and, in consideration, the issue by the Transferee to the "B" ordinary shareholders of the Transferor of one ordinary share for each B Share cancelled in the capital of the Company and one corresponding A preference share and one B preference share for each such share held by them in the capital of the Transferor. The Transferee will then be owned by the Transferor's shareholders pro rata to their existing holdings of shares in the Transferor.

(C) The parties have agreed to enter into this Agreement to effect the transfer of the Development Business to the Transferee and confirm as between them the terms of the transfer of the Development Business from the Transferor accordingly.

NOW IT IS HEREBY AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement unless the context otherwise requires:

"**Active Ingredient**" means any Compound or biological entity that is intended to or does: (i) furnish pharmacological activity or other direct effect in the treatment and/or prevention of disease; or (ii) affect any structure or any function of the human body or other animal. For the avoidance of doubt, this term includes any metabolites, salts (irrespective of counter ion), free acid forms, free base forms, polymorphs, anhydrous and hydrated forms, pro-drug forms, racemates, diastereoisomers and all optically active forms of any of the foregoing;

"**Additional Employees**" means an individual whose contract of employment is claimed or is deemed to have effect after Completion as if originally made between the Transferee and that individual as a result of the application of the Regulations to the transfer of the Development Business and Assets under this Agreement;

"Assets" means the assets of the Development Business agreed to be transferred pursuant to this Agreement as described in Part 2 of Schedule 1 and all Goodwill;

"Book Debts" means all debts owing to the Transferor in respect of the Development Business on the date of Completion;

"Case Report Form" means a printed or electronic document which records the information specified in a clinical trial Protocol relating to clinical trial subjects;

"Compound" means a chemical compound including compounds which comprise one or more amino acids or nucleic acids (the latter compounds being generally referred to as biologics);

"Completion" means the performance by the parties of the obligations assumed by them respectively under Clause 4;

"Contracts" means any and all contracts which comprise the Development Business including the Development Programme Contracts and the Development Business Contracts as set out in Schedule 3;

"Control" means:

(a) with respect to Intellectual Property: (i) the ownership of such Intellectual Property; and/or (ii) the possession of a right to grant a licence or sublicence of such Intellectual Property without violating the terms of any agreement or arrangement with any third party; and/or (iii) the possession of a right to Exploit such Intellectual Property otherwise than through the granting of a licence or sublicence and without violating the terms of any agreement or arrangement with any third party;

(b) with respect to proprietary materials, the possession by a party of a right to supply such proprietary materials to the other party as provided herein without violating the terms of any agreement or arrangement between such party and any other person; and

(c) with respect to any company: (i) the possession, directly or indirectly, of the power to direct the management or policies of such company, whether through ownership of voting securities, by contract relating to voting rights or corporate governance; or (ii) the ownership, directly or indirectly, of more than fifty percent (50%) of the outstanding voting securities or other ownership interest of such company,

and **"Controls"**, **"Controlled"** or **"Controlling"** shall be construed accordingly;

"Development Business" means that part of the Transferor's business described in Part 2 of Schedule 1 being its collaborative drug development projects and associated project management services and Intellectual Property rights;

"Development Cash" has the meaning given to it in Recital (B);

"Discovery Research" means the identification, design, synthesis and biological, pre-clinical drug metabolism and pharmacokinetic (DMPK) and pharmacodynamic evaluation of Compounds to determine their suitability for selection for pre-clinical development in preparation for prospective clinical development, commercial development and launch;

"Discovery Technology" means any and all Know-how and Information Controlled by the Transferor which is of general use in Discovery Research other than any of the same which

is the subject of a Patent application or Patent as at Completion together with all Intellectual Property rights (including Patents and Patent applications if any) Controlled by the Transferor relating to its pharmacological models of disease practised at its Stoke Court facility;

"Excluded Assets" means: (i) those assets, including those Controlled by the Transferor, which comprise the Retained Business with whatever right, title and interest the Transferor may have in relation to such assets all of which are excluded from the transfer effected by this Agreement (ii) all Tax Assets; and (iii) all cash save for the Development Cash;

"Exploit" means to research, have researched, develop, have developed, register, have registered, use, have used, make, have made, import, have imported, export, have exported, market, have marketed, distribute, have distributed, sell and have sold, offer for sale, modify, enhance, improve, trial, formulate, optimise, transport, promote, otherwise dispose of or offer to dispose of, a Compound or Product or a process relating to a Compound or Product and **"Exploitation"** and **"Exploiting"** shall be construed accordingly;

"FDA" means the United States Food and Drug Administration and any successor agency thereto;

"Good Clinical Practice" means the standard defined in the ICH Harmonised Tripartite Guideline For Good Clinical Practice E6(R1) Current Step 4 version dated 10 June 1996 (including the Post Step 4 corrections) together with such other Good Clinical Practice requirements as are specified in: (1) DIRECTIVE 2001/20/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 4 April 2001 on the approximation of the laws, regulations and administrative provisions of the Member States relating to the implementation of good clinical practice in the conduct of clinical trials on medicinal products for human use; (2) COMMISSION DIRECTIVE 2005/28/EC of 8 April 2005 laying down principles and detailed guidelines for good clinical practice as regards investigational medicinal products for human use, as well as the requirements for authorisation of the manufacturing or importation of such products; (3) guidance published by the European Commission pursuant to such Directives; and (4) the UK regulations implementing such Directives, including the Medicines for Human Use (Clinical Trials) Regulations 2004 (SI 2004/1031) (as amended, including by the Medicines for Human Use (Clinical Trials) Amendment Regulations 2006 (SI 2006/1928) and the Medicines for Human Use (Clinical Trials) Amendment (No.2) Regulations 2006 (SI 2006/2984) and The Medicines for Human Use (Clinical Trials) and Blood Safety and Quality (Amendment) Regulations 2008 (SI 2008/941);

"Good Manufacturing Practice" means the principles and guidelines of good manufacturing practice in respect of medicinal products for human use and investigational medicinal products for human use as defined in Directive 2003/94/EC and Eudralex Volume 4: EU Guidelines to Good Manufacturing Practice Medicinal Products for Human and Veterinary Use Annex 13: "Investigational Medicinal Products" and Directive 2001/20/EC and any national legislation implementing such Directives and any relevant guidance relating thereto;

"Goodwill" means the goodwill of the Transferor in relation to the Development Business including the exclusive right for the Transferee to represent itself as carrying on the Development Business in succession to the Transferor but not including the right of the Transferee to use the Argenta name in any form or style;

"Harlow Site" means the Transferor's premises located at Spire Green Centre, Flex Meadow, Harlow CM19 5TR;

"**Health Authority**" means any applicable supra-national, federal, national, regional, state, provincial or local regulatory agencies, departments, bureaux, commissions, councils or other government entities regulating or otherwise exercising authority with respect to the Exploitation of Compounds and/or Products including, without limitation, the Medicines and Healthcare products Regulatory Agency of the United Kingdom, the European Medicines Agency and any successor agencies thereto and the FDA and all other similar bodies in other parts of the world and "**Health Authorities**" shall be construed accordingly;

"**IND**" means an investigational new drug application filed with the FDA for authorisation to commence human clinical trials in the United States of America and its equivalent in the United Kingdom (i.e. a clinical trials application ("**CTA**")), other member states of the European Union and/or other countries or regulatory jurisdictions anywhere in the world;

"**Information**" means all technical, scientific and other know-how and information, trade secrets, knowledge, technology, means, methods, processes, practices, formulae, instructions, skills, techniques, procedures, experiences, ideas, technical assistance, designs, drawings, assembly procedures, computer programs, apparatus, specifications, data, results and other material, including but without limitation: high-throughput screening, gene expression, genomics, proteomics and other drug discovery and development technology; biological, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, pre-clinical, clinical, safety, manufacturing and quality control data and information, including study designs and protocols; assays and biological methodology; manufacturing and quality control procedures and data, including test procedures; and synthesis, purification and isolation techniques, (whether or not confidential, proprietary, patented or patentable) in written, electronic or any other form and on whatever medium stored but excluding the Regulatory Documentation and Know-how;

"**Intellectual Property**" means all tangible and/or intangible property in which legal or beneficial intellectual property rights subsist, whether conferred by contract, common law or otherwise anywhere in the world no matter what such rights may be known as in any particular part of the world and includes but is not restricted to: any and all legal means of establishing rights in and to ideas, inventions, discoveries, Know-how, data, databases, documentation, reports, materials, writings, designs, computer software, processes, principles, methods, techniques and other information, including Patents, trade marks, service marks, trade names, registered designs, design rights, copyrights (including rights in computer software and database rights) and any rights or property similar to any of the foregoing in any part of the world, whether registered or not, together with the right to apply for all registrations of any such rights; initial applications for and all renewals, extensions, continuations, divisions or reissues of any of the foregoing;

"**Intellectual Property Assignments**" means the assignments executed or to be executed by the Transferor in favour of the Transferee assigning absolutely the rights in the Development Business Intellectual Property to the Transferee;

"**Inventions Notebook**" means a notebook specific to a programme of scientific research and development conducted by or on behalf of the Transferor in which details of Compounds are recorded, which Compounds may be useful in that programme and which Compounds are believed to be novel by the person recording them in such notebook;

"**Inventor Intellectual Property Assignments**" means the confirmatory assignments executed or to be executed by the inventors of the Development Business Intellectual Property in favour of the Transferor assigning the rights in such Intellectual Property absolutely to the Transferor;

"**Investigational Medicinal Product**" shall have the meaning ascribed to it in Article 2 of Directive 2001/20/EC;

"**Know-how**" means all unpatented knowledge, technical information, confidential and proprietary assays, data (for example data deriving from: (i) chemical, biological, analytical, physical, physicochemical, pharmacokinetic, pharmacodynamic, or pre-clinical studies (whether conducted *in vitro*, *in silico*, *in vivo* or otherwise and whether or not conducted in accordance with Good Laboratory Practice), or (ii) clinical trials), structure activity relationships, standard operating procedures, project reports, records of patent filings, Protocols and procedures for experiments and tests, designs, sketches, and biological and chemical materials, compounds, ideas, inventions, discoveries and procedures, know-how, data, documentation (including without limitation, Laboratory Notebooks and Inventions Notebooks), reports, materials, writings, designs, computer software, processes, principles, methods, concepts, formula, specifications, flowcharts, procedures for experiments and tests and results of experimentation and testing, techniques, developments or modifications and other information, recorded in any form, together with all proprietary analyses and interpretations of information together with all common law or statutory rights to any of the foregoing whether arising or granted under the laws of England or any other jurisdiction;

"**Laboratory Notebook**" means a notebook in which details of experiments and studies and the results thereof are recorded;

"**Liabilities**" means all of the Transferor's obligations and liabilities of or relating to the Development Business whether present or future, accrued or contingent;

"**Licensable Technology**" means Discovery Technology excluding all or any Intellectual Property Controlled by the Transferor relating to its pharmacological models of disease practised at its Stoke Court facility;

"**Losses**" means in relation to any matter, all liabilities, losses and claims incurred (plus all costs and expenses reasonably incurred);

"**Patents**" means: (a) all national, regional and international patents and patent applications, including provisional patent applications; (b) all patent applications filed either from such patents, patent applications or provisional applications or from an application claiming priority from any of these, including divisionals, continuations, continuations-in-part, provisionals, converted provisionals and continued prosecution applications; (c) any and all patents that have issued or in the future issue from the foregoing patent applications ((a) and (b)), including utility models, author certificates, utility certificates, petty patents and design patents and certificates of invention; (d) all non-Paris Convention applications filed after Completion; (e) any and all extensions, adjustments or restorations by existing or future extension, adjustment or restoration mechanisms, including revalidations, divisions, continuations, substitutions, reissues, re-examinations and extensions (including any supplementary protection certificates and the like) of the foregoing patents or patent applications (a), (b), (c) and (d); and (f) any and all rights in, to and under the foregoing and any and all similar or analogous rights, including so-called pipeline protection, or any importation, revalidation, confirmation or introduction patent or registration patent or patent of additions to any of the foregoing whether arising or granted under the laws of England or any other jurisdiction,

and "**Patented**" shall be construed accordingly;

"**Product**" means any product, containing one or more Compounds as Active Ingredient, regardless of its finished form or formulation or dosage or other ingredients;

"**Protocol**" means a document describing the objective(s), design and methodology for the conduct of a scientific experiment (including clinical trials and pre-clinical studies), irrespective of whether the experiment so described is intended to be performed in accordance with Good Clinical Practice or Good Laboratory Practice;

"**Regulations**" means the Transfer of Undertakings (Protection of Employment) Regulations 2006, as amended;

"**Regulatory Documentation**" means all applications, registrations, licences, authorisations and approvals (including all health registration approvals), all correspondence submitted to or received from Health Authorities (including minutes and official contact reports relating to any communications with any Health Authority) and all supporting documents and all clinical studies and tests and all data contained in any of the foregoing, including all INDs, CTAs, health registration approvals, regulatory drug lists, advertising and promotion documents, adverse event files and complaint files;

"**Research Agreements**" means the research and development agreement(s) to be entered into between the parties at or after Completion pursuant to which, amongst other things, the Transferor will carry out research and development for the benefit of the Transferee in respect of Transferee's research and development programmes;

"**Retained Business**" means that part of the Transferor's business described in Part 1 of Schedule 1 that provides contract chemistry and biochemistry services for pharmaceutical and biotechnology companies at the Harlow, Welwyn and Stoke Court Sites;

"**Software Licences**" means all software licences to which the Transferor is a party and includes those software licences set out in Schedule 6;

"**Standard Operating Procedures**" means those standard operating procedures of the Transferor dealing with activities conducted by the Transferor covered by Good Manufacturing Practice and Good Clinical Practice which standard operating procedures have a serial number commencing "PD";

"**Stoke Court Site**" means the Transferor's premises located at Stoke Court, Stoke Poges, Slough SL2 4SY;

"**Study Book**" means a Laboratory Notebook or Inventions Notebook which records data, Know-how or Information relating to more than just the Development Business;

"**Taxation**" or "**Tax**" means all forms of taxation, duties, imposts, charges, withholdings, contributions, impositions and levies whatsoever and whenever imposed and whether of the UK or elsewhere in the world and without prejudice to the generality of the foregoing includes:

(a) income tax, corporation tax, petroleum revenue tax, capital gains tax, inheritance tax, stamp duty, stamp duty reserve tax, stamp duty land tax, value added tax, customs and other import duties, national insurance and social security contributions, withholding taxes and any payment whatsoever which any person may be or becomes legally bound to make to any person, revenue, customs or fiscal authority or any other body or authority as a result of any enactment relating to taxation (whether or not such liability is primarily imposed upon that person and whether or not that person may have any right of relief or reimbursement) and any other taxes, duties, levies or imposts supplementing or replacing any of the foregoing; and

(b) all interest, fines or penalties in respect of and relating to any of the foregoing;

"**Tax Assets**" means any sum receivable by the Transferor from any taxation authority anywhere in the world in respect of the Transferor's activities (trading or otherwise) prior to Completion;

"**Trials Materials**" means all materials other than Regulatory Documentation which are necessary or reasonably justifiable to commence or continue the development of any Compound or Product, including any Investigational Medicinal Product, containing the same and/or to support any application for a health registration approval including all clinical, pre-clinical and pharmaceutical protocols, protocols relating to chemistry, manufacturing and controls, reports (whether in draft or final form) and summaries, investigators brochures, ethics committee submissions and correspondence, Case Report Forms, drug master files, trial master files, reference standards, unused supplies of Compounds or Active Ingredients, stability samples, archived tissue blocks and slides; and

"**Welwyn Site**" means the Transferor's premises located at Part 2nd Floor, Biopark Hertfordshire, Broadwater Road, Welwyn Garden City, AL7 3AX.

1.2 **Interpretation**

1.2.1 In this Agreement, unless otherwise specified or the context otherwise requires:

(a) words importing the singular only and shall include the plural and *vice versa*;

(b) words importing any gender shall include all other genders;

(c) reference to a Clause or Recital is to a clause or recital of this Agreement;

(d) reference to a Schedule is to a schedule to this Agreement and reference to a Part is to a part of the relevant Schedule;

(e) words importing the whole shall be treated as including a reference to any part thereof; and

(f) reference to any statute, regulation, directive, treaty or part thereof shall be construed as reference thereto as amended or re-enacted or as the application thereof is modified by other provisions from time to time (whether before or after the date of this Agreement) and shall be construed as including references to any order, instrument, regulation or other subordinate legislation made pursuant thereto except to the extent that any amendment, extension, consolidation, re-enactment or replacement taking effect after the date hereof has the effect of increasing or extending the liability of either party.

1.2.2 Headings used in this Agreement shall not affect its construction or interpretation.

1.2.3 In this Agreement a reference to:

(a) a "**person**" includes any individual, firm, company or other body corporate wherever incorporated or established, corporation, government, state or agency of state, trust or foundation, or any association, partnership or unincorporated body (whether or not having separate legal personality and wherever incorporated or established) or two or more of the foregoing;

(b) "**Good Laboratory Practice**" shall be construed in accordance with the principles of good laboratory practice as defined in the Good Laboratory Practice Regulations 1999 (SI 1999 No. 3106) as amended by The Good Laboratory Practice (Codification Amendments Etc) Regulations 2004 (SI 2004 No. 994) and as further amended, modified or supplemented from time to time; and

(c) an "**asset**" or to "**property**" includes all property, assets (whether fixed, current, tangible, intangible or otherwise), investments, rights, permissions, licences,

consents and powers of every description including, without limitation, Intellectual Property.

1.2.4 Words and phrases defined in any part of this Agreement bear the same meanings throughout this Agreement.

1.2.5 The Schedules and Recitals form part of this Agreement and have the same full force and effect as if expressly set out in their entirety in the operative part of this Agreement.

2 TRANSFER AND ISSUANCE OF SHARES

2.1 The Transferor agrees to transfer and the Transferee agrees to accept with effect from the close of business on the date of Completion, with a view to acquiring and carrying on the Development Business as a going concern, all of the associated business and assets (including the Assets) of the Transferor with whatever right, title and interest the Transferor may have in the same and which are used in or otherwise comprise the Development Business as specified in Part 2 of Schedule 1.

2.2 The Transferor and the Transferee confirm their understanding that the transfer of the Development Business constitutes a transfer of a business as a going concern (for the purposes of section 49 of the Value Added Tax Act 1994 and article 5 of the Value Added Tax (Special Provisions) and Order 1995 or as otherwise required by law) and as such the transfer of the Development Business shall be outside of the scope of VAT. The Transferor and the Transferee severally undertake to use their respective reasonable endeavours, both before and after Completion, to ensure that the transfer is treated on the basis of a transfer of a going concern.

2.3 Notwithstanding anything to the contrary in this Agreement, Study Books shall be deemed to form part of the business comprising the Retained Business but this Clause 2.2 shall not affect the ownership or other right, title and interest in and to the Information, Know-how or other Intellectual Property contained within such Study Book.

2.4 Nothing in this Agreement shall operate to transfer to the Transferee any title to or any interest in any of the Excluded Assets.

2.5 In consideration for the transfer described at Clause 2.1, the Transferee shall allot and issue to the shareholders of the Transferor credited as fully paid ordinary, A preference and B preference shares of 1p each in the share capital of the Transferee in satisfaction of the cancellation of the B ordinary shares in the capital of the Transferor as described in Recital B in the same numbers as such shareholders hold ordinary shares, A preference shares and B preference shares in the Transferor immediately prior to the coming into effect of the Reorganisation.

3 LIABILITIES

3.1 Subject to Completion of this Agreement taking place in accordance with Clause 4 below, the Transferee shall assume all Liabilities and obligations whatsoever and wheresoever of the Transferor in relation to the Development Business as at and from the close of business on the date of Completion and shall indemnify and keep the Transferor indemnified against all such Liabilities and obligations excluding all liabilities of the Transferor relating to Tax.

3.2 For the purposes of Clause 3.1, as between the Transferor and Transferee, this will be effected by the Transferor assuming all liabilities for invoices dated prior to the date of Completion and the Transferee assuming all liabilities for invoices dated on or after the date of Completion.

3.3 The Transferor shall retain all liabilities and obligations whatsoever and wheresoever in relation to the Retained Business and shall indemnify and keep the Transferee indemnified against all such liabilities and obligations relating to the Retained Business.

3.4 The Transferee shall not assume any liabilities of the Transferor other than as expressly provided by Clauses 3.1 and 10 or to the extent required by statute, and the Transferor shall indemnify the Transferee on demand against all Losses which the Transferee may incur arising from or in connection with any of the same.

4 COMPLETION

4.1 At or shortly after Completion the parties shall execute and deliver to each other those documents specified in Schedule 2.

4.2 At Completion:

(a) property and risk in the Assets shall pass to the Transferee;

(b) every Asset which is in the possession of the Transferor, legal title to which is capable of passing to the Transferee by delivery, shall be delivered by the Transferor to the Transferee together with all documents of title and ownership relating to them; and

(c) the Development Cash shall be deposited in a bank account nominated by the Transferee.

5 REGULATORY

5.1 The Transferee shall assume (and the Transferor hereby transfers to the Transferee) all and any responsibilities for the conduct and performance of studies governed by Good Laboratory Practice, Good Manufacturing Practice or Good Clinical Practice (and each individual responsibility set out in the relevant Protocol as being the responsibility of the Transferor) relating to each of the Development Programmes.

5.2 The Transferor shall use reasonable endeavours to assist the Transferee in documenting the transfer of responsibilities referred to in Clause 5.1 above at the Transferees cost, such that the transfer of responsibilities is properly documented in accordance with the requirements of Good Laboratory Practice, Good Manufacturing Practice or Good Clinical Practice (as the case may be).

5.3 The Transferor grants to the Transferee the right to copy, use, distribute, modify and otherwise exploit the Standard Operating Procedures as it thinks fit to the extent not prohibited by third party agreements or law.

6 CONTRACTS

6.1 Subject to Clauses 6.2 and 7, the Transferee shall perform in place of the Transferor all obligations required to be performed after the Completion date under the Contracts.

6.2 Nothing in this Agreement shall constitute an assignment (or attempted assignment) of rights under or in connection with any Contract, or require the Transferee to perform any obligation under a Contract in place of the Transferor, if and while a third party consent is required to the assignment of those rights to the Transferee, or to the performance by the Transferee of that obligation, within the meaning of Clause 7.1.

7 THIRD PARTY CONSENTS

7.1 This Clause 7.1 shall apply in relation to any Contract if and while a third party consent is required to the assignment to the Transferee of any rights under or in connection with that Contract or to the performance by the Transferee of any obligation under the Contract in place of the Transferor.

7.2 In each case where Clause 7.1 applies to a Contract, the parties shall use all reasonable endeavours to obtain the relevant third party consent as soon as is reasonably practicable. Any fee or charge levied by any relevant third party in connection with such consent, including any costs or expenses for which it requires reimbursement, shall be borne by the Transferee.

7.3 While a third party consent is required to the assignment to the Transferee of rights under or in connection with any Contract the Transferor shall:

(a) hold those rights and all monies or other benefits received under that Contract after Completion on trust for the Transferee, to the extent that a third party consent is not required in order for it to do so;

(b) account to the Transferee for those monies and all such other goods or benefits within 28 days following their receipt in cleared funds; and

(c) otherwise exercise its rights in respect of that Contract only as the Transferee may from time to time direct.

7.4 While a third party consent is required for the performance by the Transferee of any obligation under a Contract in place of the Transferor, other than an obligation such as is referred to in Clause 7.2, the Transferee shall perform that obligation as agent or sub-contractor of the Transferor or, if to do so would itself require a third party consent, the Transferor shall perform that obligation at the Transferee's cost and the Transferee shall provide the Transferor with all such assistance as the Transferor may reasonably request.

7.5 When a third party consent requested under Clause 7.2 is given, Clause 6 shall apply in relation to obligations under that Contract.

8 TITLE AND CONDITION

8.1 The Transferee shall accept such title to the Assets as the Transferor may have and the Transferee acknowledges that the Transferor has made no representations and given no warranties as to the Transferor's title to, its possession and enjoyment of, or the quality, condition, state or description of the Assets or of their fitness or suitability for any purpose.

8.2 The Assets shall be transferred in their present state and condition subject to all faults and to all existing charges, encumbrances and third party rights and without any requisition, enquiry or objection on the part of the Transferee but are otherwise transferred free from any restriction or retention on the part of the Transferor.

8.3 Without prejudice to the foregoing, the Transferee accepts that the Transferor is making no warranty or representation whatsoever as to: (i) the efficacy or effect of the Intellectual Property transferred or licensed hereunder; (ii) the prospect of any of the Intellectual Property transferred or licensed hereunder being patentable in any way (including whether any of the applications for Patents transferred or licensed hereunder shall proceed to grant); or (iii) whether any of the Patents transferred or licensed hereunder are valid; or (iv) whether the Exploitation of the Intellectual Property, Active Ingredients, Compounds or Products

transferred or licensed hereunder does not infringe the rights of any third party or any other Intellectual Property rights of any other third parties; or (v) otherwise whatsoever.

8.4 The Transferee shall indemnify, defend and hold harmless The Transferor, its directors, officers, employees and agents ("**Indemnitee**") from and against any and all liabilities, damages, losses, costs and expenses (including the reasonable fees of attorneys and other professionals and any costs reasonably incurred by an Indemnitee to enforce this Clause 8.4) to the extent that they arise out of:

(a) any product liability claims to the extent that such claims arise out of and are determined directly attributable to any clinical trials undertaken by or on behalf of the Transferee or its affiliates or sublicensees using the Intellectual Property transferred or licensed hereunder anywhere in the world; and/or

(b) any product liability claims to the extent that such claims arise out of and are determined directly attributable to the use or Exploitation of the Intellectual Property transferred or licensed hereunder or any of it by the Transferor or its affiliates or sublicensees anywhere in the world.

9 DEBTORS

The Transferor shall account to the Transferee for all amounts received or recovered by the Transferor on or after Completion in respect of all Book Debts.

10 EMPLOYEES

The Transferee shall be liable for all Additional Employees (if any) pursuant to the Regulations and shall indemnify and keep the Transferor indemnified from and against all Losses in respect of such Additional Employees.

11 ACCESS TO INFORMATION

11.1 On and from Completion (for a period of up to six years) the Transferor will make available or procure for copying or loan to the Transferee all accounts, records, information and data (in whatever format) or rights thereto relating to the Development Business and or any of the assets transferred to the Transferee in accordance with this Agreement which is retained by the Transferor and which is reasonably requested by the Transferee in relation to its carrying on the Development Business (but for no other purpose) following Completion and where loaned these are to be held by the Transferee on loan, returnable to the Transferor on demand; and any such items so returned to the Transferor will be made available to the Transferee for inspection and copying at all reasonable times.

11.2 The Transferor acknowledges that the Study Books include Information and Intellectual Property which belongs to the Development Business. The Transferor (for itself and its successor in title to the Retained Business) shall provide a copy of that part of any Study Book relevant to the Transferee (or its successors in title to the Development Business or any relevant part thereof ("**Successors**")) immediately upon request and shall grant to the Transferee (or any Successor) such access to the Study Books (or relevant parts thereof) to the extent required by the Transferee (or any Successor) in the filing or prosecution of any Patent application relating to the Development Business (but for no other purpose) provided that, in being granted such access, the Transferee (or any Successor) shall first agree to such reasonable requests as to respecting the confidentiality of all other contents of such materials not relevant to the purpose for which they are to be provided to the Transferee (or any Successor) hereunder, as shall be made of the Transferee (or any Successor) at that time

11.3 If the Transferor sells or otherwise disposes of any of the assets after the date hereof before selling or disposing of the same the Transferor shall procure that the acquirer thereof shall first enter into a direct covenant with the Transferee (or any Successors) acknowledging the Transferee's (and its Successors) rights of access thereto in accordance with the terms of this Clause 11 in a form reasonably satisfactory to the Transferee (or any Successor if appropriate).

11.4 The Transferor acknowledges (for itself and for all successors in title to the Retained Business or any part thereof) the rights of the Transferee (the "**Owner**") to request from the Transferor (or its successors in title to the Retained Business or any part thereof), an enduring payment free assignable licence (with the right to sub-licence) to use any of the Licensable Technology provided that: (i) the Transferor is able to so licence such Intellectual Property (having regard to the basis of its Control and rights it may have already granted to third parties); and (ii) the Owner can demonstrate to the Transferor's reasonable satisfaction that such a licence to Licensable Technology is actually required (rather than merely desirable) by the Owner in or about the conduct of the Development Business and/or the Exploitation of the Development Business Intellectual Property but not further or otherwise and provided further that nothing herein shall give the Owner any rights whatsoever in or to any of the Transferee's Intellectual Property which is Patented.

12 CONFIDENTIALITY AND NON-USE

To the extent that the Transferor has access to or retains knowledge of any aspect of the Development Business after Completion (the "**Confidential Information**"), the Transferor undertakes to keep the same confidential, not disclose the same to any other person or permit any other person access to the same and not to use the same for any purpose whatsoever in breach of the Transferee's rights hereunder or in any event save where such Confidential Information enters the public domain (otherwise than as a result of a breach of any of the parties of its obligations under this Clause 12) or is legally obliged to do so.

13 FURTHER ASSURANCE

13.1 The Transferor shall, on or following Completion, duly execute and deliver, or cause to be duly executed and delivered, such instruments and shall do and cause to be done such acts and things, including the filing of such assignments, agreements, documents and instruments, as may be necessary under, or as the Transferee may reasonably request in connection with, or to carry out more effectively the purpose of, or to better assure and confirm to the Transferee the rights, title and interest in and to the Development Business and Assets transferred to it under Clause 2 at Completion and to give the Transferee the full benefit of this Agreement.

13.2 In particular but without prejudice to the generality of Clause 13.1, the Transferor shall if requested to do so by the Transferee at the Transferee's cost immediately enter into Intellectual Property Assignment(s) in substantially the form set out in Schedule 5 (or in such other form as the parties may hereafter agree) for the purposes of recording the transfers made under this Agreement with such patent offices and/or intellectual property offices as the Transferee reasonably requests. Until the execution of any such confirmatory assignments, so far as may be legally possible, the Transferor and Transferee shall have the same rights in respect of the Assets comprising the Development Business and be under the same obligations to each other in all respects as if the said Intellectual Property Assignment(s) had been executed.

13.3 Without prejudice to the foregoing provisions of this Clause 13, the Transferor shall at the request and cost of the Transferee, use its reasonable endeavours to enforce or assist the Transferee (or its successors in title) to enforce the Inventor Intellectual Property Assignments and without prejudice hereto hereby appoints or will, following execution of

the same, appoint, any director for the time being of or other person authorised by the Transferee as a substitute attorney under each such Inventor Intellectual Property Assignment for the purposes of and in accordance with the terms thereof.

14 SEVERABILITY

If any clause of this Agreement is or shall be held to be illegal or unenforceable in whole or in part under any enactment or rule of law, such term or provision shall not form part of this Agreement but the validity and enforceability of the remainder of this Agreement shall not be affected.

15 ENTIRE AGREEMENT

This Agreement constitutes the entire and only agreement between the parties in relation to its subject matter and replaces and extinguishes all prior or simultaneous agreements, undertakings, arrangements, understandings or statements of any nature made by the parties or any of them whether oral or written (and, if written, whether or not in draft form) with respect to such subject matter. Each of the parties acknowledges that they are not relying on any statements, warrantics or representations given or made by any of them in relation to the subject matter of this Agreement, save those expressly set out in this Agreement, and that they shall have no rights or remedies with respect to such subject matter otherwise than under this Agreement save to the extent that they arise out of the fraud or fraudulent misrepresentation of another party.

16 VARIATION

No variation of this Agreement shall be effective unless in writing and signed by or on behalf of each of the parties to this Agreement.

17 ASSIGNMENT

The Transferee shall be entitled to assign its rights under this Agreement to any person who acquires the Development Business from them (in whole or part) and such purchaser shall be entitled to enforce the terms of this Agreement against the Transferor as if such purchaser was an original party to the Agreement, provided that such assignment will not increase the liability of the Transferor hereunder.

18 THIRD PARTIES

Save as expressly provided herein, nothing in this Agreement confers upon any person not a party to this Agreement any benefit or right to enforce any of the terms hereof except that: (a) the rights to indemnification under Clause 8.4 may be enforced by the relevant third party indemnitee; (b) the rights of Successors (as defined therein) under Clause 11 may be enforced by such persons in each such case subject to and in accordance with the terms of this Agreement and the Contracts (Rights of Third Parties) Act 1999. Notwithstanding that any term of this Agreement may be or become enforceable by a person who is not a party to it, the terms of this Agreement or any of them may be varied, amended or modified or this Agreement may be suspended, cancelled or terminated by Agreement in writing between the parties or this Agreement may be rescinded (in each case), without the consent of any such third party.

19 **NOTICES**

19.1 Any notice or other communication to be given under, or in connection with the matters contemplated by, this Agreement shall be in writing and signed by or on behalf of the party giving it and shall be served by delivering it personally or sending it by pre-paid recorded delivery or registered post (or registered airmail in the case of an address for service outside the United Kingdom) or by facsimile to the address and for the attention of the relevant party set out below (or as otherwise notified by that party hereunder). Any such notice shall be deemed to have been received:

(a) if delivered personally, at the time of delivery;

(b) in the case of pre-paid recorded delivery or registered post, 48 hours from the date of posting; and

(c) in the case of registered airmail, 5 days from the date of posting; and

(d) in the case of fax, at the time of transmission;

(e) provided that if deemed receipt occurs before 9am on a business day the notice shall be deemed to have been received at 9am on that day and if deemed receipt occurs after 5pm on a business day, or on a day which is not a business day, the notice shall be deemed to have been received at 9am on the next business day. For the purpose of this Clause 20, "**business day**" means any day which is not a Saturday, a Sunday or a public holiday in the place at or to which the notice is left or sent.

19.2 The addresses and facsimile numbers of the parties for the purposes of this Clause 19 are:

Transferor

Address:	8-9 Spire Green Centre Flex Meadow Harlow CM19 5TR
For the attention of:	The Company Secretary
Fax number:	01279 645 646

Transferee

Address:	8-9 Spire Green Centre Flex Meadow Harlow CM19 5TR
For the attention of:	Colin Knox
Fax number:	01279 645 646

or such other address or facsimile number in the United Kingdom as may be notified in writing from time to time by the relevant party to the other party.

19.3 For the avoidance of doubt notice given under this Agreement shall not be validly served if sent by e-mail.

20 COUNTERPARTS

20.1 This Agreement may be executed in any number of counterparts by the parties on different counterparts, but shall not be effective until each party has executed at least one counterpart.

20.2 Each counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same agreement.

21 GOVERNING LAW AND JURISDICTION

This Agreement is governed by, and shall be construed in accordance with, English law and the parties hereby submit to the exclusive jurisdiction of the English Courts.

IN WITNESS WHEREOF this Agreement has been signed by or on behalf of the parties on the date referred to above.

SCHEDULES

SCHEDULE 1

BUSINESS DEFINITIONS

PART 1

RETAINED BUSINESS

The Transferor's Retained Business means the business of conducting Discovery Research and early stage drug development and includes the Contract Research Business, all cash except the Development Cash, the Legacy Research Programmes, the Legacy Research Contracts, the Retained Business Contracts and the other Discovery Assets where the following defined terms apply:

"Contract Research Agreements" means those contracts, agreements, engagements, orders and/or commitments to which the Transferor is or was a party which oblige or obliged Transferor to perform Discovery Research for a third party as set out at Part 1 of Schedule 3;

"Contract Research Business" means Transferor's business of performing Discovery Research services for third parties under the Contract Research Agreements including conducting certain development services for Argenta Discovery Limited and Argenta Oral Therapeutics Limited;

"Discovery Assets" means:

(a) the Discovery Technology;

(b) all tangible fixed assets (including but not limited to leasehold improvements, plant, property and equipment, fixtures and fittings and IT equipment), other equipment, consumables (including bottled gases, reagents, lab coats and other safety equipment), the contents of the Transferor's chemicals stores and other tangible assets owned by the Transferor located at the Properties or entrusted to the Transferor's Employees excluding any asset which forms part of the Development Business;

(c) all Laboratory Notebooks and Inventions Notebooks relating to the Legacy Research Programmes;

(d) all quantities of Compounds including consumables and reagents generally used for the synthesis of Compounds excluding Compounds relating to the Development Business as set out in Part 2 of this Schedule;

(e) all samples of biological tissue (human or animal) in the Control of the Transferor which has derived from the conduct of experiments (including chemical, biological, analytical, physical, physiochemical, pharmacokinetic, pharmacodynamic, or pre-clinical studies (however conducted) though to clinical trials) relating to the Legacy Research Programmes;

(f) all books, records, Information and Regulatory Documentation to the extent the same relates to the Legacy Research Programmes;

(g) the Legacy Research Contracts and the Retained Business Contracts;

(h) the Contract Research Agreements including any trade debts and other rights thereunder;

(i) the Software Licences;

(j) the Spire Green Lease

(k) the Stoke Court Lease

(l) the Welwyn Lease

(m) the Retained Business Goodwill;

(n) the Trademarks;

(o) all employment records of the employees of the Transferor as at Completion together with all national insurance and PAYE records

(p) the benefit of all policies of insurance in respect of the assets comprised within (a) to (o) above and of all claims, if any, subsisting against insurance companies, underwriters and in relation to such policies others up to Completion

(q) the benefit of all licences, consents and permissions relating to: (A) the assets comprised within (a) to (o) above; (B) the conduct of business at the Properties; (C) the conduct of Discovery Research including without limitation all licences held by the Transferor or any of the Transferor's employees issued pursuant to the Animals (Scientific Procedures) Act 1986;

(r) all proprietary and other rights (including Intellectual Property rights) relating to the assets listed in (a) to (q) above including those vesting in or assigned to or otherwise Controlled by the Transferor by virtue of the Discovery Research Contracts and/or Contract Research Agreements;

(s) all rights and powers arising or accrued in respect of all Intellectual Property rights referred to in paragraphs (a) to (r) above at the date of Completion including the right to sue for damages and other remedies in respect of any infringement of such Intellectual Property rights prior to the date of Completion; and

(t) all other assets (if any) of the Transferor of whatever nature and wherever situated or employed in or relating to the Retained Business or otherwise located at the Properties and not specified above and all rights arising from the same (other than as comprise assets of the Development Business).

"**Discovery Cash**" means all cash at bank (including money market deposits and foreign currency deposits) and in hand excluding the Development Business Cash;

"**Legacy Research Compounds**" means

(u) all and any Compounds which have been described in writing by the Transferor in its Inventions Notebooks relating to one or more of the Legacy Research Programmes but which have not been synthesised;

(v) all and any Compounds which have been synthesised by or on behalf of the Transferor and recorded in the Transferor's Compound database as being

synthesised for the purpose of one or more of the Legacy Research Programmes; and

(w) all and any metabolites, salts (irrespective of counter ion), free acid forms, free base forms, polymorphs, anhydrous and hydrated forms, pro-drug forms, racemates, diastereoisomers, and all optically active forms of any of the foregoing;

"Legacy Research Contracts" means those contracts, agreements, engagements, orders and/or commitments to which the Transferor is a party in connection with the Legacy Research Programmes as set out in Part 3 of Schedule 3;

"Legacy Research Intellectual Property" means any and all Intellectual Property comprised in the Legacy Research Programmes;

"Legacy Research Programmes" means the programmes of scientific research and development conducted by or on behalf of the Transferor up to and as at the date hereof which aims to:

(a) discover, research and develop novel Compounds that exert a pharmacologically relevant effect on the Legacy Research Targets

(b) the Transferor's Legacy Research Compounds;

(c) the Transferor's methods for synthesising the Legacy Research Compounds whether or not in accordance with Good Manufacturing Practice and irrespective of scale of synthesis;

(d) all physical quantities of the Legacy Research Compounds under the Control of the Transferor;

(e) the Transferor's Know-how relating to the Legacy Research Compounds, including, without limitation, the structure activity relationships relating to the Legacy Research Compounds and the Transferor's Know-how relating to the formulation and manufacture (and the feasibility of such formulation and manufacture) of Investigational Medicinal Product comprising a Legacy Research Compound;

(f) all other Information belonging to the Transferor relating to the Legacy Research Compounds;

(g) all and any Intellectual Property Controlled by the Transferor comprised in the aforementioned (a) to (f) above; and

(h) all rights and powers arising or accrued in respect of all Intellectual Property rights referred to in paragraphs (a) to (g) above at the date of Completion including the right to sue for damages and other remedies in respect of any infringement of such Intellectual Property rights prior to the date of Completion.

"Legacy Research Targets" means EP2, Ghrelin, histamine H3 and/or H4, histone deacetylase and MCH-1;

"Retained Business Contracts" means those contracts, agreements, engagements, orders and/or commitments to which the Transferor is or was a party set out at Part 2 of Schedule 3 and all other agreements, engagements, orders and/or commitments relating to the operation of the Properties (but not the Spire Green Lease, the Stoke Court Lease or the Welwyn Lease) and/or relating to the rental, lease, upkeep and/or maintenance of property, plant and

equipment located comprising or at those same Properties excluding the Development Business Contracts.

"Retained Business Goodwill" means the goodwill of the Transferor in relation to the Retained Business including all goodwill relating to the Contract Research Business;

"Trademarks" means all trademarks (whether registered or not) of the Transferor including the Argenta logo:

PART 2

DEVELOPMENT BUSINESS

The Transferor's Development Business means the business of conducting Development Research and early stage drug development of the Transferor and includes the Development Cash the Development Programmes, the Development Programme Contracts, the Development Business Contracts, the Development Business Ancillary Documentation and the other Development Assets where the following defined terms apply:

"**Development Assets**" means:

(a) the Development Technology;

(b) all Laboratory Notebooks and Inventions Notebooks relating to the Development Programmes;

(c) all quantities of Compounds which are intermediates used in the synthesis of Elastase Compounds, Early Research Compounds and PPAR Compounds (excluding any consumables and reagents generally used for the synthesis of Compounds);

(d) all samples of biological tissue (human or animal) in the Control of the Transferor which has derived from the conduct of experiments (including chemical, biological, analytical, physical, physiochemical, pharmacokinetic, pharmacodynamic, or pre-clinical studies (however conducted) though to clinical trials) relating to the Development Programmes;

(e) all books, records, Information and Regulatory Documentation to the extent the same relates to the Development Programmes;

(f) the Development Programme Contracts and the Development Business Contracts;

(g) the Development Business Goodwill;

(h) the benefit of all policies of insurance in respect of: (I) the assets comprised within (a) to (g) above; and (II) ongoing and/or completed clinical trials relating to the Development Programmes, and of all claims subsisting against insurance companies, underwriters and in relation to such policies others up to Completion

(i) the benefit of all licences, consents and permissions relating to: (A) the assets comprised within (a) to (g) above; and (B) the conduct of Development Research including without limitation all permissions to conduct clinical trials;

(j) all proprietary and other rights (including Intellectual Property rights) relating to the assets listed in (a) to (i) above including those vesting in or assigned to or otherwise Controlled by the Transferor by virtue of the Development Programme Contracts; and

(k) all rights and powers arising or accrued in respect of all Intellectual Property rights referred to in paragraphs (a) to (j) above at the date of Completion including the right to sue for damages and other remedies in respect of any infringement of such Intellectual Property rights prior to the date of Completion.

"**Development Business Ancillary Documentation**" means those assignments, contracts, agreements, engagements, orders and/or commitments intended to perfect the Transferor's

title to assets comprised within the Development Programmes and/or the Development Assets; and/or Transferee's title to assets, if any, transferred to it by Transferor, which assets are comprised within the Development Programmes and/or the Development Assets;

"**Development Business Contracts**" means the Merlion Agreement, the Heparin Supply Agreement and the PPAR Agreement;

"**Development Business Goodwill**" means the goodwill of the Transferor in relation to the Development Business;

"**Development Cash**" means £3,750,000 (three million, seven hundred and fifty thousand British pounds sterling);

"**Development Programme Intellectual Property**" means any and all Intellectual Property comprised in the Development Programmes;

"**Development Programmes**" means the Early Research Programmes, the Elastase Programme, and the PPAR Programme and "**Development Programme**" means any one of them;

"**Development Programme Contracts**" means those contracts, agreements, engagements, orders and/or commitments to which the Transferor is a party in connection with the Development Programmes as set out in Part 4 of Schedule 3;

"**Early Research Compounds**" means:

(a) all and any Compounds falling within the claims of the Early Research Patents irrespective of whether such Compounds have been synthesised or merely described by or on behalf of Transferor;

(b) all and any Compounds not falling within the claims of the Early Research Patents which have been described in writing by the Transferor in its Inventions Notebooks relating to one or more of the Early Research Programmes but which have not been synthesised;

(c) all and any Compounds which have been synthesised by or on behalf of the Transferor and recorded in the Transferor's Compound database as being synthesised for the purpose of one or more of the Early Research Programmes including, without limitation, all Macrolides and Heparins; and

(d) all and any metabolites, salts (irrespective of counter ion), free acid forms, free base forms, polymorphs, anhydrous and hydrated forms, pro-drug forms, racemates, diastereoisomers, and all optically active forms of any of the foregoing;

"**Early Research Programmes**" means the programmes of scientific research and development conducted by or on behalf of the Transferor up to and as at the date hereof which aims to:

(a) discover, research and develop novel Compounds that exert a pharmacologically relevant effect on the Early Research Targets

(b) discover, research and develop novel Macrolides and novel uses for existing Macrolides;

(c) discover, research and develop novel Heparins and novel uses for existing Heparins;

(d) discover, research and develop novel long acting steroids;

(e) in each case for the purpose of treating respiratory disease in humans, which programmes comprise

(f) the Transferor's Early Research Compounds;

(g) the Transferor's methods for synthesising the Early Research Compounds whether or not in accordance with Good Manufacturing Practice and irrespective of scale of synthesis;

(h) all physical quantities of the Early Research Compounds under the Control of the Transferor including Early Research Compounds which are an Active Ingredient (whether or not incorporated into any Investigational Medicinal Product);

(i) the Transferor's Know-how relating to the Early Research Compounds, including, without limitation, the structure activity relationships relating to the Early Research Compounds and the Transferor's Know-how relating to the formulation and manufacture (and the feasibility of such formulation and manufacture) of Investigational Medicinal Product comprising an Early Research Compound;

(j) all other Information belonging to the Transferor relating to the Early Research Compounds;

(k) all of Transferor's rights, title and interest in and to the Merlion Agreement;

(l) all and any Intellectual Property Controlled by the Transferor comprised in the aforementioned (a) to (k) above, including the Early Research Patents; and

(m) all rights and powers arising or accrued in respect of all Intellectual Property rights referred to in paragraphs (a) to (i) above at the date of Completion including the right to sue for damages and other remedies in respect of any infringement of such Intellectual Property rights prior to the date of Completion.

"Early Research Patents" means those patents and patent applications set out in Part 1 of Schedule 4;

"Early Research Targets" means P38 MAP-kinase and A2A;

"Elastase Compounds" means:

(a) all and any Compounds falling within the claims of the Elastase Patents irrespective of whether such Compounds have been synthesised or merely described by or on behalf of Transferor;

(b) all and any Compounds not falling within the claims of the Elastase Patents which have been described in writing by the Transferor in its Inventions Notebooks relating to the Elastase Programme but which have not been synthesised;

(c) all and any Compounds which have been synthesised by or on behalf of the Transferor and recorded in the Transferor's Compound database as being synthesised for the purpose of the Elastase Programme; and

(d) all and any metabolites, salts (irrespective of counter ion), free acid forms, free base forms, polymorphs, anhydrous and hydrated forms, pro-drug forms, racemates, diastereoisomers and all optically active forms of any of the foregoing;

"Elastase Patents" means those Patents and Patent applications set out in Part 2 of Schedule 4;

"Elastase Programme" means the programme of scientific research and development conducted by or on behalf of the Transferor up to and as at the date hereof which aims to discover, research and develop novel Compounds that exert a pharmacologically relevant effect on the Elastase Target for the purpose of treating respiratory disease in humans and/or animals and which programme comprises:

(a) the Transferor's Elastase Compounds;

(b) the Transferor's methods for synthesising the Elastase Compounds whether or not in accordance with Good Manufacturing Practice and irrespective of scale of synthesis;

(c) all physical quantities of the Elastase Compounds under the control of the Transferor including Elastase Compounds which are an Active Ingredient (whether or not incorporated into any Investigational Medicinal Product);

(d) the Transferor's Know-how relating to the Elastase Compounds, including, without limitation, the structure activity relationships relating to the Elastase Compounds and the Transferor's Know-how relating to the formulation and manufacture (and the feasibility of such formulation and manufacture) of Investigation Medicinal Product comprising an Elastase Compound;

(e) the Transferor's Regulatory Documentation relating to the Elastase Compounds;

(f) all and any Trials Materials relating to the Elastase Compounds;

(g) all other Information belonging to the Transferor relating to the Elastase Compounds;

(h) all and any Intellectual Property Controlled by the Transferor comprised in the aforementioned (a) to (g) above, including the Elastase Patents; and

(i) all rights and powers arising or accrued in respect of all Intellectual Property rights referred to in paragraphs (a) to (i) above at the date of Completion including the right to sue for damages and other remedies in respect of any infringement of such Intellectual Property rights prior to the date of Completion.

"Elastase Target" means human neutrophil elastase, a serine protease enzyme;

"Heparin Supply Agreement" means the agreement between (1) the Transferor and (2) Momenta dated 14 November 2008 (as extended and/or amended) relating *inter alia* to the supply of certain Heparins to Transferor and the licence of certain Intellectual Property rights relating thereto

"Merlion Agreement" means the Agreement between (1) the Transferor and (2) Merlion Pharmaceuticals PTE Limited dated 26 June 2008 relating to the supply of certain Macrolides to Transferor and certain Intellectual Property rights and ancillary services relating thereto;

"PPAR Agreement" means the agreement between (1) the Transferor (2) Dr Reddy's Laboratories Limited and (3) Dr Reddy's Laboratories (UK) Limited dated 26 January 2006 as amended;

"PPAR Compound" means:

(a) all and any Compounds falling within the claims of the PPAR Patents irrespective of whether such Compounds have been synthesised or merely described by or on behalf of Transferor;

(b) all and any Test Compounds (where such term has the meaning given to it by the PPAR Agreement);

(c) any and all quantities of pioglitazone, a known agonist of the PPAR Target;

(d) all and any Compounds which have been described in writing by the Transferor in its Inventions Notebooks relating to the PPAR Programme;

(e) all and any Compounds which have recorded in the Transferor's Compound database for the purpose of the PPAR Programme; and

(f) all and any metabolites, salts (irrespective of counter ion), free acid forms, free base forms, polymorphs, anhydrous and hydrated forms, pro-drug forms, racemates, diastereoisomers, and all optically active forms of any of the foregoing;

"PPAR Patents" means those Patents and Patent applications set out in Part 3 of Schedule 4 being those Patents and Patent applications which constitute Project Intellectual Property (as defined in and under the PPAR Agreement);

"PPAR Programme" means the programme of scientific research and development conducted by or on behalf of the Transferor up to and as at the date hereof which aims to (i) discover, research and develop novel Compounds, and/or (ii) discover, research and develop novel uses of existing Compounds, in both cases that exert a pharmacologically relevant effect on the PPAR Target for the purpose of treating respiratory disease in humans and/or animals and/or and which programme comprises:

(a) the Transferor's PPAR Compounds;

(b) the Transferor's methods for synthesising the PPAR Compounds whether or not in accordance with Good Manufacturing Practice and irrespective of scale of synthesis;

(c) the Transferor's methods for utilising PPAR Compounds in the treatment of disease and methods of utilising PPAR Compounds in the manufacture of preparations intended to be used to treat disease;

(d) all physical quantities of the PPAR Compounds under the control of the Transferor including PPAR Compounds which are an Active Ingredient (whether or not incorporated into any Investigational Medicinal Product);

(e) the Transferor's Know-how relating to the PPAR Compounds, including, without limitation, the structure activity relationships relating to the PPAR Compounds and the Transferor's Know-how relating to the formulation and manufacture (and the feasibility of such formulation and manufacture) of Investigational Medicinal Product comprising a PPAR Compound;

(f) the Transferor's Regulatory Documentation relating to the PPAR Compounds;

(g) all and any Trials Materials relating to the PPAR Compounds;

(h) all reports and advice issued by or on behalf of EUREDA AB, a company incorporated under the laws of Sweden whose principal place of business is at Uppsala Science Park, Dag Hammarskjölds väg 10 C, SE-751 83 Uppsala, Sweden, relating to regulatory issues pertaining to Compounds which have an effect on the PPAR Target;

(i) all other Information belonging to the Transferor relating to the PPAR Compounds;

(j) all and any Intellectual Property Controlled by the Transferor comprised in the aforementioned (a) to (i) above, including the PPAR Patents;

(k) all of Transferor's rights, title and interest in and to the PPAR Agreement; and

(l) all rights and powers arising or accrued in respect of all Intellectual Property rights referred to in paragraphs (a) to (k) above at the date of Completion including the right to sue for damages and other remedies in respect of any infringement of such Intellectual Property rights prior to the date of Completion; and

"PPAR Target" means the peroxisome proliferator-activated receptor, a nuclear receptor protein.

SCHEDULE 2

Completion Documents

1 The Agreement

SCHEDULE 4

PATENTS

In the schedule overleaf:

- Where inventors have been determined, these are shown in normal type; those in italics are proposed inventors.

- Application Titles correspond to the PCT titles as filed/published. If no PCT application exists then the title from the priority document is shown.

- Abandoned and withdrawn cases are not shown

PART 1
EARLY RESEARCH PATENTS

Argenta Titles	Application Title	Country Code	Application No.	Application Date	PCT number & filing	Inventors	
P38 Pyrimido piridazines	Pharmaceutical Compounds And Compositions	GB	0902648.5	17-Feb-09	Pending	*Bodil van Niel* *Mandy Beswick*	
P38 Triazolopyridines	Pharmaceutical Compounds And Compositions	GB	0902651.9	17-Feb-09	Pending	*Bodil van Niel* *Harry Finch* *Chi-Kit Woo* *John Montana*	
		GB	0908069.8	11-May-09		Jamie Knight	
P38 Phenyl Ureas Vertex	Pharmaceutical Compounds And Compositions	GB	0908317.2	14-May-09	Pending	*Bodil van Niel* *Mandy Beswick*	
A2a agonists1	Compounds	GB	0906853.7	21-Apr-09	Pending	*Bodil van Niel* *Harry Finch* *John Montana*	
A2a agonists2	Compounds	GB	0906854.5	21-Apr-09	Pending	*Bodil van Niel* *Harry Finch* *John Montana*	
A2a agonists 3	Compounds	GB	0819467.2	23-Oct-08	Pending	*Bodil van Niel* *Harry Finch* *John Montana*	
A2a agonists 4	Compounds	GB	0820436.4	07-Nov-08	Pending	*Bodil van Niel* *Harry Finch* *John Montana*	
Picromycin for Inhalation	Pharmaceutical Compounds and Compositions	GB	0903945.4	06-Mar-09	Pending	*John Montana*	Withdrawn & refiled
Picromycin for Inhalation	Pharmaceutical Compounds and Compositions	GB	0919055.4	30-Oct-09	Pending	*John Montana*	

PART 2
ELASTASE PATENTS

Argenta Titles	Application Title	Country Code	Application No.	PCT number & filing	PCT publication	National applications	National Granted	Grant Date	Inventors
Elastase-N-Linked dimers	Compounds and their use	GB	0502258.7	PCT/GB2006/000361	WO2006082412	AU 2006210730 CA 2595801 CN200680009856.9 EP06709612.3 HK08106839.4 IN5905/DELNP/2007 JP2007553695 NZ556693 SG200705437-2 US11/814615 ZA2007/07009	SG134447	28-Jan-08	Christine Edwards Nicholas Ray Elizabeth O'Connor Mary Fitzgerald Harry Finch
Elastase -C-Linked dimers	Compounds and their use	GB	0512940.8	PCT/GB2006/002337	WO2006136857	CN200680030331.3 EP06755623.3 HK08112368.1 IN/10018/DELNP/200 JP2008517602 US11/993699			Harry Finch Christine Edwards Nicholas Ray Mary Fitzgerald
Additional Elastase AZ Dimers	MULTIMERS OF HETEROCYCLIC COMPOUNDS AND THEIR USE			PCT/GB2007/003537	WO2009037413	Pending			Nicholas Ray Christine Edwards Harry Finch
HNE Tetrahydropyrrolopyrimidines and dimers 1	Enzyme Inhibitors	GB GB PCT	0608844.7 0612544.7	PCT/GB2007/001638 PCT/GB2007/002825	WO2007129060 WO2009013444	AU2007246889 BRPI0711169-0 CA2657956 CN200780023789.0 EA200870391 EP07732669.2 ID/W00200803913 IL194843 IN9124/DELNP/2008 JP2009508463 MX/A/2008013996 NO20084502 NZ572250 PH1-2008-502358 SG200807972-5 US12/264621	SG147217	27-Feb-09	Nicholas Ray Harry Finch Christine Edwards Elizabeth O'Connor

Argenta Titles	Application Title	Country Code	Application No.	PCT number & filing	PCT publication	National applications	National Granted	Grant Date	Inventors
HNE Tetrahydropyrrolopyrimidines and dimers 1 (Disubstituted)	Enzyme Inhibitors		PCT/GB2007/001638 PCT/GB2007/002825	PCT/EP2008/055439	WO2008135537	Pending			Nicholas Ray Harry Finch Christine Edwards Elizabeth O'Connor
HNE Tetrahydro Pyrrolopyrimidine Dimer Betaines	Enzyme Inhibitors	GB GB	0721868.8 0812443.0	PCT/GB2008/003755	WO2009060206	Pending			Janusz Kulagowski Christine Edwards
Additional HNE Tetrahydro Pyrrolopyrimidines and Dimers	Enzyme Inhibitors			PCT/GB2007/04238	WO2009060158	Pending			Nicholas Ray Christine Edwards Elizabeth O'Connor Janusz Kulagowski
5,6 HNE - M3 Heterodimers (short list M3)	Pharmaceutical compounds having dual activities	GB	0721866.2	PCT/GB2008/003752	WO2009060203	Pending			Harry Finch Christine Edwards Nicholas Ray
5,6 HNE Dimer Salts	Enzyme Inhibitors	GB	0817429.4	Pending					*Harry Finch* *Christine Edwards* *Janusz Kulagowski*
HNE dimer - Pyridyl + Desmethyl Linker	Enzyme Inhibitors	GB GB	0901616.3 0908068.0	Pending					*Harry Finch* *Christine Edwards* *Janusz Kulagowski*

PART 3
PPAR PATENTS

Argenta Titles	Application Title	Country Code	Application No.	Application Date	PCT number & filing	PCT publication	National applications	Inventors
Pio/Rosi Enantiomer	Respiratory Disease Treatment	GB GB GB	0814488.3 0823568.1 0910944.8	07-Aug-08 24-Dec-08 24-Jun-09	PCT/GB2009/001920	Pending		*Harry Finch* *Craig Fox* *Mohammed Sajad*
3322 use patent	Methods For The Treatment And Prevention of Respiratory Disorders With Selected PPAR gamma Agonists	IN	1718/CHE/2007	03-Aug-07	PCT/IB2008/002133	WO2009019598	Pending	Craig Fox Harry Finch Mary Fitzgerald Ranjan Chakrabati Sunil Singh Vaibhav Sihorkar Piyush Gupta
ADS112689	Sulfonamide Compounds for the Treatment of Respiratory Disorders'	IN	3324/CHE/2008	30-Aug-08	Pending			Craig Fox Vidyar Ramos Harry Finch
3322 (R) - Enantiomer	Respiratory Disease Treatment	GB	0901831.8	04-Feb-09	Pending			Craig Fox Harry Finch
3322 (S) - Enantiomer	Respiratory Disease Treatment	GB	0901832.6	04-Feb-09	Pending			Craig Fox Harry Finch
5-R Pioglitazone Processes	Glitazones	GB	0913672.2	05-Aug-09	Pending			*Bodil van Niel* *Andrew Forrest* *Mohammed Sajad* *Harry Finch* *Sunil Singh*

SCHEDULE 5

INTELLECTUAL PROPERTY ASSIGNMENT

This Agreement is made the day of 2010

BETWEEN:

ARGENTA DISCOVERY 2009 LIMITED (Company No. 6920289) whose registered office is at 8-9 Spire Green Centre, Flex Meadow, Harlow CM19 5TR (the "**Transferor**")

and

ARGENTA THERAPEUTICS LIMITED (Company No. 7087533) whose registered office is at 8-9 Spire Green Centre, Flex Meadow, Harlow CM19 5TR (the "**Transferee**")

INTRODUCTION:

(A) The Transferor is the proprietor of the Intellectual Property Rights, as defined below.

(B) The Transferor has agreed to assign the Intellectual Property Rights to the Transferee on the terms set out in this Agreement.

THE PARTIES AGREE:

1 **DEFINITIONS, INTERPRETATION AND CONSTRUCTION**

1.1 In this Agreement, unless the context otherwise requires, the following defined terms will have the meanings set out opposite them below:

"**Agreement**" means this intellectual property assignment;

"**Business Transfer Agreement**" means the business transfer agreement between the Transferee and Transferor dated [•] 2010; and

"**Intellectual Property Rights**" [*SPECIFY RELEVANT IPR*].

1.2 Save to the extent that the context or the express provisions of this Agreement require otherwise, in this Agreement:

(a) words importing the singular will include the plural and vice versa;

(b) words importing any gender will include all other genders;

(c) any reference to a Clause, the Schedule or a Part of the Schedule are references to the relevant clause, schedule or part of the schedule of or to this Agreement;

(d) any reference to this Agreement or to any other document includes reference to this Agreement or to that other document as amended, supplemented, assigned, or novated from time to time; and

(e) the table of contents and the headings and sub-headings in this Agreement are included for convenience only and will be ignored in construing this Agreement.

2 TRANSFER OF OWNERSHIP

2.1 In accordance with the terms of the Business Transfer Agreement the Transferor assigns by this Clause (by way of present assignment of existing and future rights) to Transferee:

2.1.1 the Transferor's whole right, title and interest, past, present and future in and to the Intellectual Property Rights as at [•] 2010;

2.1.2 and all rights of action (whether actual or contingent) in respect of any past, present or future infringement of the Intellectual Property Rights;

2.1.3 the rights to apply and claim priority for, prosecute and obtain protection anywhere in the world in respect of the Intellectual Property Rights; and

2.1.4 in relation to any registered or unregistered trade marks and any trade mark applications included in the Intellectual Property Rights, all common law rights and goodwill associated with them.

3 TITLE AND CONDITION AND FURTHER ASSURANCE

3.1 The Transferee shall accept such title to the Intellectual Property Rights as the Transferor may have and the Transferee acknowledges that the Transferor has made no representations and given no warranties as to the Transferor's title to, its possession and enjoyment of, or the quality, condition, state or description of the Intellectual Property Rights or of their fitness or suitability for any purpose.

3.2 The Intellectual Property Rights shall be transferred in their present state and condition subject to all faults and to all existing charges, encumbrances and third party rights and without any requisition, enquiry or objection on the part of the Transferee but are otherwise transferred free from any restriction or retention on the part of the Transferor.

3.3 Without prejudice to the foregoing, the Transferee accepts that the Transferor is making no warranty or representation whatsoever as to: (i) the efficacy or effect of the Intellectual Property Rights; (ii) the prospect of any of the Intellectual Property Rights being Patentable in any way (including whether any of the applications for Patents shall proceed to grant); or (iii) whether any of the Patents are valid; or (iv) whether the Exploitation of the Intellectual Property Rights, Active Ingredients or Products does not infringe the rights of any third party or any other intellectual property rights of any other third parties; or (v) otherwise whatsoever.

3.4 The Transferor shall, on or following Completion, duly execute and deliver, or cause to be duly executed and delivered, such instruments and shall do and cause to be done such acts and things, including the filing of such assignments, agreements, documents and instruments, as may be necessary under, or as the Transferee may reasonably request in connection with, or to carry out more effectively the purpose of, or to better assure and confirm to the Transferee the rights, title and interest in and to the Intellectual Property Rights and to give the Transferee the full benefit of this Agreement.

4 WHOLE AGREEMENT

This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter of this Agreement and supersedes all previous agreements and

arrangements between the parties with respect to its subject matter. Nothing in this Agreement will exclude any liability for fraud.

5 **EXCLUSION OF THIRD PARTY RIGHTS**

Each party confirms that it is entering into this Agreement for its own benefit and not for the benefit of any other person. A person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

6 **GOVERNING LAW**

This Agreement will be governed by and interpreted in accordance with the laws of England, and the parties submit to the exclusive jurisdiction of the English Courts.

EXECUTED as an agreement on the date first above written.

[SCHEDULES]

[SIGNATURE BLOCK]

EXECUTED AND DELIVERED AS A DEED

by **ARGENTA DISCOVERY 2009 LIMITED**

acting by

..... Director

..... Full Name

in the presence of

..... Witness

..... Full Name

..... Address

..... Occupation

EXECUTED AND DELIVERED AS A DEED

by **ARGENTA THERAPEUTICS LIMITED**

acting by

..... Director

..... Full Name

in the presence of

..... Witness

..... Full Name

..... Address

..... Occupation