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RETROSCREEN VIROLOGY GROUP PLC
("Retroscreen" or the "Company")

ACQUISITION

Retroscreen Virology Group plc (AIM: RVG), the viral challenge and "virometrics" specialist, is pleased to announce the acquisition of Activiomics Limited ("Activiomics") for a total consideration of up to £4.0 million in new ordinary shares of 5 pence each in the Company ("Ordinary Shares"). Activiomics is a private UK based proteomics company founded in 2010 and spun out of Barts and the London Medical School, part of Queen Mary University of London. Activiomics has a powerful technology for protein identification which will help enable Retroscreen to mine its biological samples for novel insights into target diseases. At the 31 July 2013 year end, Activiomics had unaudited net assets of £0.3 million, and reported a loss after tax for the year then ended of £0.5 million.

This important acquisition is part of a strategic commitment by Retroscreen to build its testing and data analytical capabilities following the Company's £25.5 million fundraising in June 2013. Not only is the ability to data mine proprietary samples vital to future growth, it will also enhance Retroscreen's ability to build robust and accessible bio-scientific databases. These can be applied across a wide range of products and services in the quest to stratify disease and enable a more tailored approach to patient therapy through the identification of biomarkers, leading to the development of new therapies and diagnostics.

The £4.0 million consideration is for the entire issued share capital of Activiomics (on a fully diluted basis including all outstanding options), split between a £3.08 million initial consideration payable on the date of the transaction and £0.71 million of deferred consideration payable on the first anniversary of the date of transaction subject to the satisfaction of certain conditions and warranties. Activiomics option holders will roll over their options into Retroscreen options on similar terms, with options valued at £171k in respect of the initial consideration and £40k in respect of the deferred consideration. Each of the vendors, including the option holders, covenants not to dispose of their new Retroscreen shares within 12 months of the date of transaction and a further 12 months subject to the maintaining of an orderly market. The vendors of Activiomics include IP2IPO Limited (44.7%), IP Venture Fund (12.7%) and Queen Mary University of London (16.3%). In settlement of the initial consideration, 996,901 new Ordinary Shares have been allotted to the shareholders of Activiomics.

Application will be made to AIM for the admission of the 996,901 new Ordinary Shares in the Company to trading. It is expected that admission to trading on AIM will become effective and dealings in the new Ordinary Shares will commence at 8.00am on 10 March 2014. Upon admission, the new Ordinary Shares will be issued, credited as fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares of the Company.

Following admission of the new shares to trading on AIM, Retroscreen's total number of Ordinary Shares with voting rights in issue will be 54,723,821. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Retroscreen's Directors (with the exception of Charles Winward, IP Group's representative on the Retroscreen Board, who is excluded from these considerations as a result of IP Group's status as a related party to the Company) having consulted with the Company's Nominated Adviser, Numis Securities Limited, consider the terms of the acquisition of Activiomics to be fair and reasonable insofar as Retroscreen's shareholders are concerned.

Dr Trevor Nicholls, Non-Executive Chairman of Activiomics commented, "The acquisition of the business by Retroscreen creates a positive and exciting new chapter in our work to develop even stronger analytical capabilities. This provides us with great opportunities to expand our platform and expertise, so as to provide unique insights into disease pathways through investigation of Retroscreen's high quality human samples."

Kym Denny, Chief Executive Officer of Retroscreen, commented, "This technology acquisition is a vital step on our journey to unlock the tremendous potential within our proprietary biological samples to gain new insights into key diseases including flu, HRV and RSV. It will also allow us to accelerate our drive to explore other disease areas including asthma and COPD."

For further information please contact:

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