Maelor PLC
05 April 2007

5 April 2007

Maelor plc ('Maelor' or the 'Company')

Acquisition of Acorus Therapeutics Ltd

The Board of Maelor plc (AIM:MLR), the specialist critical care company, is pleased to announce the acquisition of specialist pharmaceuticals and devices company, Acorus Therapeutics Ltd ('Acorus'), for a total consideration of £13 million (subject to adjustment).

The initial cash consideration will be satisfied out of the issue to institutional investors of 80,000,000 new Ordinary Shares of 10 pence each at 10 pence per share. A conditional placing will raise £8 million (before estimated expenses) which was undertaken by Noble & Company Ltd ('Noble'), and was oversubscribed. Completion of the acquisition of Acorus is expected to take place (subject, inter alia, to shareholder approval) on 10 May 2007.

Highlights

* Maelor has agreed to acquire Acorus, a specialist pharmaceuticals and devices company for a total consideration of £13 million. The consideration comprises £7 million in cash and £1 million of new Ordinary Shares at the placing price of 10 pence, together with a £5 million deferred consideration payable over five years funded from ongoing cash flow. The deferred component is payable subject to the achievement of minimum sales hurdles

* Following the completion of a strategic review by Maelor's new management team in mid 2006, the Company has been implementing a strategy of building a hospital specialist medicine business focused on commercialising late stage or launched, and therefore low risk, pharmaceuticals and devices, with a focus in critical care and neurology

* The acquisition of Acorus is in line with the Company's strategy to build a solid platform for further acquisitions and gain additional critical mass to drive shareholder value

* Acorus is a successful specialist pharmaceuticals and devices company, which is profitable and growing and which has a portfolio of assets primarily focused in critical care and neurology

* Acorus was established in 2000 and has been built as a virtual company; integration is therefore straightforward and inexpensive

* The acquisition will create a substantial AIM listed hospital specialist company and will be immediately earnings enhancing.

Commenting on the acquisition Tim Wright CEO said:

'The acquisition of Acorus is a transforming transaction for Maelor, creating a strong, profitable business with positive cash flow. The integration risks, costs and distractions are minimal due to the virtual nature of Acorus and the combined product portfolios offer a high degree of synergy in terms of customer base and distribution channels. We now have a product portfolio and pipeline capable of delivering strong future growth'

Chairman Geoff McMillan said;

'This acquisition is a further demonstration of the commitment of the Board of Maelor to add shareholder value through the focused strategy communicated last year and the ability of our new management team to deliver this strategy.'

- Ends -

For further information, call:

Maelor plc

Tim Wright, - 01244 625150

Noble & Company Limited

Matthew Hall - 020 7763 2200

Financial Dynamics

Billy Clegg/Edward Westropp, - 020 7831 3113

5 April 2007

Introduction

Maelor has today announced that it has conditionally agreed to acquire the entire issued share capital of Acorus. Acorus is a privately owned, UK-based pharmaceutical company focused on specialist pharmaceuticals and medical devices. The consideration for the Acquisition is to be satisfied by a cash payment of £7 million, the issue of 10,000,000 Consideration Shares at a price of 10 pence per share, and the issue of up to £4.88 million of Loan Notes to the Vendors. In order to satisfy the cash component of the acquisition price and to enable it to implement its strategy, the Board is also proposing to raise £8 million (£7.16 million after estimated expenses) by way of the Placing of 80,000,000 new Ordinary Shares at 10 pence per Placing Share. The Placing has been arranged by Noble.

The Acquisition constitutes a reverse takeover under the AIM Rules and is therefore subject to the approval of the shareholders of the Company. Such approval is being sought at the Extraordinary General Meeting which has been convened for 4 May 2007.

If the Resolutions are duly passed at the EGM and the other conditions set out in the Placing Agreement are met, the Enlarged Share Capital will be admitted to trading on AIM.

Background and reasons for the Acquisition

Following the introduction of a new management team and completion of a strategic review in 2006, Maelor's Board seeks to transform the Company into a major player within the specialist pharmaceutical and medical devices market. The Acquisition is in line with the strategy to build a solid platform for further acquisitions and to gain additional critical mass to drive shareholder value.

Acorus is a growing business that to date has been run as a virtual organisation. The Directors of Acorus believe the Company is approaching a level that is too large for a virtual business model and consequently, they will be unable to continue to exploit the upsides of Acorus' product portfolio.

The Directors believe the Acquisition represents a low risk to investors as the target provides access to a synergistic and profitable product portfolio which can be easily integrated into Maelor's existing infrastructure. Acorus is cash generative and with a late stage product portfolio. The Acquisition will enable cash generation for future growth by means of investment, further acquisitions and product development.

Information on Maelor

Maelor is a specialist pharmaceuticals and medical devices company, focused in the critical care market. The Company, which has expertise in developing and commercialising both pharmaceuticals and medical devices, was admitted to AIM on 21 November 1997.

The new management team is committed to delivering the vision of establishing a significant business, in hospital specialist medicine initially focused in the critical care and neurology sectors. This vision will be realised through aggressive acquisition, development and organic growth of late stage and launched products, to drive turnover and profit.

The business model is intentionally structured away from expensive and high risk early stage development to ensure a low risk proposition for Shareholders. In line with this focus, non-specialist products and early stage technologies in the portfolio are leveraged through efficient partnerships.

The benefits of focusing on the secondary care market, with an estimated size of £15 billion within the EU, are the low costs associated with sales and marketing as well as high value niches, such as critical care. Critical care patients include those undergoing emergency or elective surgery, who are commonly cared for in intensive care units and high dependency units and who require support from a wide range of specialist drugs and devices. Primary customers are anaesthetists, intensive care specialists and pharmacists, as well as accident & emergency and neurology physicians.

The new management team took a significant first step in the realisation of its strategy with the successful re-acquisition and re-launch of Volplex, a product Maelor originally developed and licensed. The process of re-launching the product was achieved ahead of schedule and the Company is seeing the benefits of consistently growing sales in the market. Primarily used in operating theatres and wards to maintain blood volume, Volplex competes with Gelofusine (B Braun) the only other succinylated gelatin colloid available in the UK. With substantial room for market share growth, the management team is confident that they can continue to win new accounts and grow sales of Volplex.

On completion of the strategic review of the business, the new management team stated its intention to grow its specialist product portfolio aggressively through development and acquisition. Recent activities have included commencement of the development of two new late stage products, ISOplex and AquiHex as well gaining a licence to sell unlicensed medicines, 'specials' and conclusion of a deal to gain distribution rights for a selection of critical care fluids.

ISOplex - ISOplex in common with Volplex will be used in situations where an increase in blood volume is required. ISOplex has been designed to mimic natural blood plasma, particularly in the balance of electrolytes. The use of these ' isotonic' formulations is an area of significant interest amongst critical care clinicians. The introduction of ISOplex will support Maelor's strategy of driving both market share and market size in the gelatin segment of the UK blood volume replacement market. Given Maelor's experience and existing data in this sector it is anticipated that development will be relatively rapid and inexpensive for a pharmaceutical product. The Company anticipates regulatory approval by the MHRA for ISOplex by the end of 2008.

Specials - the Company has succeeded in gaining a licence from the MHRA to sell un- licensed medicines. Generally known as 'specials' these products can be requested by physicians for use in patients where there is a specific requirement which is presently unmet by any medicine licensed in the UK. In addition to establishing closer relationships with the critical care community this strategy will enable Maelor to gauge demand for products and where this demand is sufficient, progress these products to licence in the UK. The management team have recently gained distribution rights to a selection of fluid and volume replacement products from Germany and in addition have recently developed a new product AquiHex. AquiHex is a topical anti-bacterial product which will be used in critical care settings.

The management will continue to select strong partners to commercialise the heritage portfolio of products and technologies that do not fit directly with the Company's specialist strategy, in particular its catheter flushing solutions OptiFlo* and Contisol and its proprietary early stage nanotechnology.

The Company's ability to enter into successful partnerships with major distributors is exemplified by the successful commercialisation of OptiFlo, the UK brand of the Company's catheter flushing solutions in conjunction with Bard

Limited which has now grown to be the market leading catheter flushing solution in the UK. ContiSol is the Company's international brand name of this range.

Similarly the management recently licensed part of the Company's proprietary micelle nanotechnology, which solubilises insoluble active pharmaceuticals, to Plethora solutions Holdings plc, a specialist urology company. The agreement involves milestone payments by Plethora during development and royalty payments on commercialisation. Micelle lidocaine will be developed for interstitial cystitis, a distressing condition which affects over 2 million women in the US and the EU.

Maelor is a strong business with a clear, focused strategy and an ambitious, experienced management team determined to grow rapidly through a strategy of acquisition, consolidation and organic growth of products and portfolios.

Information on Acorus Therapeutics Limited

Acorus was established in 2000 and commenced trading in 2001, specialising in acquiring or developing and marketing unique specialist pharmaceuticals and medical devices. The two founders identified that many important products were not being developed, and were even discontinued, because the commercial opportunity is too small for the big pharmaceutical companies. The company has been run as a virtual organisation, thus making it a straightforward business to integrate. Acorus's portfolio, which is highly synergistic with Maelor's portfolio and strategy, is as follows:

Cryogesic - A fast-acting cryo-analgesic that is used in a number of specialist clinical settings, particularly by anesthetists, a target customer group of Maelor, to numb the skin before minor procedures. Registered as a medical device across Europe, the product is available in the UK and Ireland in a range of presentations and has seen steady growth since introduction, from little promotion. Recently conducted market research suggests further growth potential from active promotion and expansion into new specialist niches.

Dermogesic - A non-flammable version of the above product has been developed and registered across Europe as a medical device.

Haemopressin - A specialist injectable used in critically ill patients suffering from esophageal varices(uncontrollable bleeding from the oesophagus) and hepatorenal syndrome, serious conditions affecting critically ill patients with chronic liver disease. Acorus has distribution rights in the UK and Ireland and the product is currently progressing through the regulatory process. It has been successfully launched in Germany.

Mysoline - A long established treatment for epilepsy which sees stable sales in this segment, as epilepsy sufferers once controlled are unlikely to be changed to different medications. This is due to the significant physical and life-style distress that experiencing a fit can cause, for example, the loss of a driving licence.

Increasing use is being seen in the field of Essential Tremor, a condition managed by specialist neurologists which affects 1 in 20-25 of over 40 year olds. Mysoline is one of only two treatments recommended for managing this chronic condition. No direct promotion is currently undertaken in this area and market research suggests the potential for further growth. Acorus markets the brand directly in the UK and Ireland and through a network of distributors in territories across Europe.

Gentispray - A spray treatment in late stage (phase III) development for the treatment of outer ear infections. The product combines the most commonly used formulation of ear drops, in a popular ear spray delivery system to create a new product.

Specials - Like Maelor, Acorus supplies unlicensed medicines for areas of unmet need. Products in this portfolio include an antidepressant syrup for patients that are unable to take tablets, Acoranil, (Which is progressing through the regulatory system) and 5-FU an oral treatment for cancer. Acorus is a profitable business, with low overheads. All operational tasks such as research, development, manufacturing and logistics are contracted out to third party companies.

Strategy of the Enlarged Group

In the opinion of the Board the acquisition of Acorus by Maelor, is directly aligned with Maelor's stated strategy of building a focused specialist pharmaceutical and medical devices business. The Board believes that the Enlarged Group will provide a platform to build a comprehensive specialist secondary care portfolio through rapid organic and acquisitive growth.

The growth strategy will therefore be based upon driving sales and developing further products from the existing portfolio, as has been demonstrated with Volplex. In parallel, the management team will seek to acquire complementary product portfolios.

Geographically, the UK is currently the Company's primary market. The acquisition of Acorus and the already established distributor network will enable the Company to build its presence in the major European markets, which together with North America represent the majority of the pharmaceutical and medical device market. In addition the Enlarged Group will continue its established relationship in China, where Volplex is currently in the regulatory process.

Maelor audited results for year ended 31 March 2006

The Company announced its preliminary results for the year ended 31 March 2006 on 1 June 2006. These results showed that during the year ended 31 March 2006, Maelor reported a turnover of £1.86 million (year ended 31 March 2005: £1.64 million). This revenue generated gross profit of £0.74 million in 2006 (2005: £0.60 million) and the Company made a loss after tax of £0.66 million (2005: loss of £0.66 million)

Maelor unaudited results for the six months ended 30 September 2006

The Company announced its unaudited results for the six months ended 30 September 2006 on 2 November 2006. During this period Maelor generated a turnover of £1.33 million (six months ended 30 September 2005: £0.92 million), gross profit of £0.62 million (six months ended 30 September 2005: £0.36 million) and the Company made a loss after tax of £0.08 million (six months ended 30 September 2005: loss of £0.40 million).

Acorus audited results for year ended 30 September 2006

Acorus reported turnover of £3.04 million for the year ended 30 September 2006 (year ended 30 September 2005: £1.59 million). This revenue generated gross profit of £2.13 million in 2006 (2005: £1.10 million) and made a profit after tax of £0.62 million (2005: profit of £0.04 million). The majority of the operating costs in Acorus relate to bought in services in respect of research and development, administrative expenses and service charges, the majority of which are currently provided by the existing Maelor infrastructure. Thus a large majority of Acorus' costs are not anticipated to recur in the Enlarged Group meaning that a substantial proportion of the gross profit generated in the future should fall to bottom line.

Current trading and future prospects

Maelor

The Board is confident that Maelor is now delivering against clear objectives, an achievement which is reinforced by continued positive trading since the announcement of 2006 interim results, with good progress being made in the implementation of its new strategy:

The building of a specialist hospital medicine business

In 2006 the management team has focused on growing sales of Volplex. The results of these efforts have seen a number of new hospitals purchasing Volplex with in-market sales up 43 per cent. versus H1 2005. There remains substantial room for market share growth and the management team is confident that, in addition, the Company can continue to win further new accounts to grow sales of Volplex.

Maelor is intent upon on adding new products to the portfolio either through in-licensing or development of late stage opportunities, which reinforce the Company's development and commercial expertise and presence. As a result of customer research the decision has been taken to develop ISOplex, an isotonic product designed to mimic natural blood plasma, particularly in the balance of electrolytes. The introduction of ISOplex will support Maelor's strategy of driving both market share and market size in the gelatin segment of the UK blood volume replacement market.

Over the last 12 months Maelor has succeeded in obtaining a licence from the MHRA to sell unlicensed medicines known as 'Specials'. Maelor intends these products to fulfil niche areas of unmet need and to be a support service to critical care patients and physicians. An agreement has recently been concluded to offer a portfolio of fluid support products, currently licensed in Germany.
In addition, the Company has recently developed AquiHex, an aqueous solution of chlorhexidine, an antibacterial product used in critical care settings which will be sold as a special while UK regulatory approval is sought.

Leverage non-critical care portfolio through efficient partnerships

OptiFlo, the UK brand of catheter flushing solutions distributed by Bard Limited has continued to perform well, with sales up 10 per cent. in H1 2006 versus H1 2005, and remains the UK market leader with market share of 54 per cent. in H1 2006 versus 49 per cent. in H1 2005 in a market that has itself grown by 5 per cent. in 2006.

H1 2006 turnover incorporates a licensing milestone for the Company's proprietary micelle nanotechnology, micelle lidocaine. The agreement with Plethora, a specialist urology company, is progressing well. Under the terms of the agreement Plethora is responsible for product development and distribution and Maelor is entitled to milestone and royalty payments.

Micelle lidocaine is in development for the treatment of interstitial cystitis and painful bladder syndrome. These conditions are estimated to afflict up to two million women in the United States and Europe.

As identified in the recent strategic review, a primary activity of recent months has been to provide clarity and focus to the business. The product portfolio has been rationalised in line with this plan as has the geographical focus to prioritise efforts in the UK. While assessment of the opportunity for ContiSol in the US and regulatory process for Volplex in China continue, these activities are considered secondary to the focus of building a specialist hospital medicine business in the UK.

The Directors believe that Maelor is now well positioned to grow its business and that completion of the Acquisition and the Placing will provide the Enlarged

Group with a stable platform for growth.

Acorus

The Acorus portfolio of products has been steadily developed over a number of years. Audited sales of the Cryogesic range of fast acting freeze analgaesics have seen healthy growth and further growth potential remains from active promotion of the brand and exploitation of new niche markets.

Mysoline was acquired by Acorus in 2004 and is already marketed in a number of European markets and further launches are planned for 2007.

Market research shows upside potential in promotion of the brand in the area of Essential Tremor which affects 1 in 20-25 of over 40 year olds. Mysoline is indicated for Essential Tremor in the UK, while in other territories regulatory approval will be required. Going forward, the formulation of a strategy to rapidly grow the product in this sector will be a key activity.

The company has concentrated on progressing Haemopressin through the regulatory process and gearing up for a launch in 2008. It will additionally be progressing the late phase III development of Gentispray.

The strategy of commercialising specials and where sufficient opportunity is identified, making a full licence application will continue, as is the case with Acoranil anti- depressant syrup.

Enlarged Group

The synergy between the two companies and the lack of integration issues due to the virtual nature of Acorus will enable the Enlarged Group to rapidly stabilise and commence driving growth from the enlarged portfolio. The emphasis remains on focusing on late stage low cost / risk specialist products

The Board believes that the demand for Maelor's specialist pharmaceutical products into the critical care market will continue to grow and that there will be ongoing opportunities for the Enlarged Group to cross sell its products to existing customers.

Increased emphasis will be put on growing Cryogesic through active promotion and preparing for launch of Haemopressin as the Company interacts with the same customer group to which it will be promoting Volplex, fluid specials and ISOplex.

Active promotion of Mysoline for Essential Tremor to specialist neurologists, in the UK, will commence in parallel with the assessment of potential line extensions to further develop this substantial market. A detailed review of the ongoing Gentispray study will be conducted in order to evaluate the most appropriate route to securing registration. In line with the Company's focus in the specialist, secondary care market it is likely that a partner will be sought for this product.

Both Acoranil and 5-FU the oral cancer treatment will be managed within the existing specials portfolio, which incorporates fluid and volume replacement products as well as AquiHex.

The Enlarged Group will continue actively to seek additional specialist products and portfolios to consolidate into the business

Principal terms of the Acquisition

The Company has agreed to acquire the entire issued share capital of Acorus. The acquisition price is to be satisfied by a cash payment of £7 million, the issue of 10,000,000 Consideration Shares at a price of 10 pence per share and the issue of up to £4.88 million of Loan Notes to the Vendors, contingent upon Acorus achieving certain revenue targets.

The Acquisition Agreement is conditional, inter alia, upon:

a) First Admission, Second Admission and Third Admission occurring on or before 25 May 2007;

b) no fact or circumstance having occurred which would amount to there having been a material adverse change in the business carried on by Acorus; and

c) successful conclusion of the Placing.

It is expected that completion of the Acquisition and Third Admission will take place on 10 May 2007.

Board of the Enlarged Group

The Board of Maelor currently consists of Geoff McMillan, Timothy Wright, Nigel Goldsmith, Ann Hardy, John Gregory and Peter Murray. The Board, following Third Admission, will continue to consist of the following:-

Geoff McMillan Non-Executive Chairman

Geoff was appointed as Non-Executive Chairman of Maelor in January 2006 following the retirement of his predecessor. Currently Chief Executive Officer of Speciality European Pharma Limited and non executive director of Galapagos NV, Geoff has over 25 years' experience within the pharmaceutical and biotechnology industry. Having worked for Smith and Nephew, Roche, Xenova Group plc, Elan, and Biofocus plc. Geoff brings a record of deal making, ranging from product and technology licensing to mergers and acquisitions and collaborative drug discovery to the Board of Maelor.

Tim Wright Chief Executive Officer

Tim was appointed Chief Executive Officer of Maelor in September 2005. With over 15 years' experience in the pharmaceutical industry, Tim has held senior commercial positions at Pfizer and SmithKline Beecham both domestically and internationally. His most recent roles were with Elan Pharmaceuticals where he was general manager for Ireland and vice president, international marketing. During his time at Elan, Tim was instrumental in the establishment, significant growth and ultimate successful divestment of their European business.

Nigel Goldsmith Finance Director and Company Secretary

Nigel joined Maelor in June 2006. He spent over nine years at KPMG, latterly as senior manager, prior to moving into industry in 1996. He now has ten years experience working in the pharmaceutical and life sciences sectors, where he has held senior financial positions at Life Sciences International plc and most recently at Almedica International Inc where he was chief financial officer for five years.

Ann Hardy Operations Director

Ann was appointed to Maelor's Board in July 2004. Ann has over 20 years' experience in the pharmaceutical industry, where she has held senior positions in operations, quality and technical management for Glaxo Pharmaceuticals, Evans Medical Limited and Medeva Pharma Limited. Ann holds a BSc with Honours in Biology and has a Diploma in Company Direction. She has responsibility for both commercial and technical operations within Maelor.

John Gregory Non-Executive Director

John joined the Maelor Board in June 2000. Currently non-executive chairman of Noble VCT plc and a non-executive director of The AIM VCT plc, John is also a non-executive director or chairman of a number of private companies and was, prior to these appointments, an executive director of Noble Fund Managers. John's earlier career was in the City of London and included posts as a director of Singer & Friedlander Holdings and managing director of Henry Ansbacher & Co. John is currently chairman of the remuneration committee of Maelor.

Peter Murray Non-Executive Director

Peter joined the Maelor Board in April 2003. With over 20 years' experience in diagnostics and devices, Peter left Napp Laboratories to form Cambridge Laboratories in 1987, leading it to profitability and ultimately to international status. In 1996 he formed High Crane Limited, focusing on management consultancy and in 2000 he co-founded Acorus, to provide niche hospital orientated pharmaceutical products and medical devices. Peter is currently chairman of the audit committee of Maelor.

12. Share Option Plans

Maelor currently has two Existing Share Option Plans in place, an Unapproved Plan and an Enterprise Management Incentive Plan.

In addition, the Company is seeking approval for the adoption of the New EMI and Unapproved Plan at the EGM on 4 May 2007.

13. Corporate governance

The Directors acknowledge the importance of the principles set out in the Combined Code. Although the Combined Code is not compulsory for AIM companies, the Directors intend to apply the principles as far as practicable and appropriate for a relatively small public company as follows:

Board

After the Acquisition, the Board intends to continue to meet regularly and will be responsible for strategy, performance, approval of major capital projects and the framework of internal controls. The Board intends to have a formal schedule of matters specifically reserved to it for decision. To enable the Board to discharge its duties, the Directors will receive appropriate and timely information. It is the intention that briefing papers will be distributed to all Directors in advance of Board meetings, while all Directors will have access to the advice and services of the Company Secretary, who is responsible for ensuring that procedures of the Board are followed and that applicable rules and regulations are complied with. The articles of association provide that Directors will be subject to re-election at the first opportunity after their appointment and each member of the Board will voluntarily submit to re-election at intervals of three years thereafter.

Audit committee

The audit committee is currently made up of Peter Murray (Chairman), John Gregory and Geoff McMillan, although following the Acquisition this will be reviewed. The committee will meet at least twice a year and meetings will be arranged in conjunction with the publication of the Enlarged Group's financial statements. The committee will, inter alia, monitor the financial integrity of the Enlarged Group, review financial information, review accounting policies, clarity of disclosures, internal controls and risk management systems and the Enlarged Group's internal audit requirement and oversee the relationship with external auditors.

Remuneration committee

The remuneration committee is made up of John Gregory (Chairman), Peter Murray and Geoff McMillan, although following the Acquisition this will be reviewed. The committee will meet not less than twice a year. Appointments to the committee will be for a period of up to three years which may be extended for two further three year periods. The committee will determine and agree with the Board the framework for the remuneration of the Chairman, the executive Directors and such members of the executive management team as it is designated to consider. The remuneration of the non-executive Directors will be a matter for the executive Directors. The committee will review the appropriateness of the remuneration policy in the light of all relevant factors and will have regard to the provisions and recommendations of the Combined Code, the AIM Rules and associated guidance. The remuneration committee will also be responsible for administering the Share Option Plans.

Internal controls

The Board will be responsible for establishing and maintaining the Enlarged

Group's system of internal controls and places importance on maintaining a strong control environment. The key procedures which the Board intends to establish with a view to providing effective internal controls are expected to be as follows:

* the Board will be responsible for identifying the major business risks faced by the Enlarged Group and for determining the appropriate courses of action required to manage those risks;

* the Enlarged Group's organisational structure will have clear lines of responsibility and reporting and;

* the Enlarged Group will prepare a comprehensive annual budget that is approved by the Board. Monthly results will be reported against the budget and variances will be closely monitored by the Board.

The Directors recognise, however, that such a system of internal controls will only provide reasonable, not absolute, assurance against material misstatement or loss. The Board has reviewed the effectiveness of the system of internal controls as it will be operated by the Enlarged Group.

AIM Compliance Committee

In line with new regulations, the Company intends to establish an AIM compliance committee in the near future.

Dividend policy

In the short term, the Board does not intend to declare a dividend but will reconsider this as and when the growth and profitability of the Enlarged Group allow. The declaration and payment of any future dividends by the Enlarged Group and the quantum thereof will be dependent upon the Enlarged Group's results, financial position, cash requirements, future prospects, profits available for distribution and factors deemed by the Board to be relevant at the time.

Reasons for Placing and use of proceeds

The net proceeds of the Placing receivable by the Company will be approximately £7.16 million (after estimated expenses). These proceeds will be used to finance the acquisition of Acorus and to enable it to implement its organic and acquisitive growth strategy.

The Placing Shares will represent 64.4 per cent. of the Enlarged Share Capital of the Company immediately following Third Admission. The Placing Price represents a discount of approximately 21.6 per cent. to 12.75, the closing mid-market price on 4 April 2007.

The New Ordinary Shares will, on the relevant Admission, rank pari passu in all respects with the Existing Ordinary Shares and will have the right to receive all dividends and other distributions thereafter declared, made or paid in respect of the issued ordinary share capital of the Company.

It is expected that the proceeds of the Placing will be received by the Company on or around 10 May 2007.

In the event that First Admission becomes effective by 8.00 am on the Long Stop Date but Second Admission does not, or that First Admission and Second Admission become effective by 8.00 am on the Long Stop Date but the Acquisition fails to complete (whether by reason of the Third Admission failing to become effective or otherwise) by 5.00 pm on the Long Stop Date, the proceeds relating to First Admission and/or Second Admission, as the case maybe, will be invested on a short term basis while the Board considers how best to return such proceeds to the relevant Placees.

Bank facility

Subject to Admission, the Company will enter into a bank facility with HSBC Bank plc totalling £2.0 million. This facility may be used by the Company for general working capital purposes and/or towards the funding of future acquisitions.

Admission to AIM and dealings

The Acquisition constitutes a reverse takeover under the AIM Rules and is therefore dependent upon the approval of Shareholders being given at the Extraordinary General Meeting. A resolution will be proposed at the EGM, inter alia, to approve the Acquisition. If the Resolutions are duly passed at the EGM, and the other conditions set out in the Placing Agreement are met, application will be made for the Enlarged Share Capital to be re-admitted to trading on AIM.

It is anticipated that First Admission will become effective and that dealings will commence in the Existing Ordinary Shares and the New VCT/EIS Shares at 8.00 am on 8 May 2007, that Second Admission will become effective and that dealings will commence in the Protected VCT Shares and the Non-VCT Shares at 8.00 am on 9 May 2007 and that Third Admission will become effective and that dealings will commence in the Consideration Shares at 8.00 am on 10 May 2007.

If the Acquisition is not completed but First Admission has become effective (but Second Admission has not), the Existing Ordinary Shares and the New VCT/EIS Shares will continue to be traded on AIM and the Protected VCT Shares and the Non-VCT Shares will not be issued or admitted to trading on AIM. If between Second Admission and the date on which the Acquisition is expected to complete (being 10 May 2007), the Acquisition terminates, the Protected VCT Shares and the Non-VCT Shares will also continue to be traded on AIM.

Extraordinary General Meeting

The Extraordinary General Meeting of the Company is to be held at the offices of Morrison & Foerster MNP, Citypoint, One Ropemaker Street, London EC2Y 9AW at 11.00 am on 4 May 2007.

At the EGM, the following resolutions will be considered by the holders of the Existing Ordinary Shares and, if thought fit, passed:

1. an ordinary resolution to approve the acquisition of Acorus by Maelor, in accordance with the terms of the Acquisition Agreement;

2. an ordinary resolution to increase the authorised share capital of the Company from £8,000,000 to £20,000,000 by the creation of an additional 120,000,000 Ordinary Shares, representing an increase of 150 per cent. of the current authorised share capital;

3. an ordinary resolution authorising the Directors, for the purposes of section 80 of the Companies Act, to allot relevant securities up to an aggregate nominal amount of £9,000,000 (90,000,000 New Ordinary Shares) pursuant to the Placing and in connection with the Acquisition (representing approximately 263 per cent. of the number of Existing Ordinary Shares and approximately 72 per cent. of the Enlarged Share Capital immediately after Third Admission) and assuming no new Ordinary Shares are issued pursuant to the Share Option Plans;

4. an ordinary resolution to approve an amendment to Rule 6.1(b) of the Enterprise Management Incentives Plan (established by the Company in August 2000) such that the words 'five per cent. (5%)' be replaced by the words ' twelve point five per cent. (12.5%)';

5. an ordinary resolution approving the adoption of the New EMI and Unapproved Plan;

6. an ordinary resolution to authorise the Directors of the Company, at their discretion, to allow employees and Directors who currently hold unexercised share options under the Maelor plc Enterprise Management Incentives Plan or the Unapproved Plan, under which the exercise price payable on those share options is in excess of the market value of the shares which they might acquire upon the exercise of them, to agree formally with the Company to the cancellation of those options, with a view thereby to permitting further grants under the New EMI and Unapproved Plan within the permitted limits prescribed by EMI rules; and

7. a special resolution pursuant to section 95 of the Companies Act, empowering the Directors, subject to and with effect from First Admission, to allot equity securities (within the meaning of section 94 of the Companies Act) for cash as if section 89(1) of the Companies Act did not apply to such allotment provided that this authority is limited to the allotment for cash of 90,000,000 New Ordinary Shares pursuant to the Placing and in connection with the Acquisition (representing approximately 263 per cent. of the number of Existing Ordinary Shares and approximately 72 per cent. of the Enlarged Share Capital immediately after Third Admission) and assuming no new Ordinary Shares are issued pursuant to the Share Option Plans.

The authority and the power described in paragraphs 3 and 7 above will (unless previously revoked or varied by the Company in general meeting) expire on the date 15 months from the passing of such resolutions or at the conclusion of the next annual general meeting of the Company following the passing of the Resolutions, whichever occurs first. The authority and the power described in paragraphs 3 and 7 above are in addition to any like authority or power previously conferred on the Directors.

The ordinary resolutions 1, 2, 3, 4, 5 and 6 will require a simple majority of those voting in person or on a poll by proxy in favour of the resolutions. The special resolution 7 will require approval by not less than 75 per cent. of the votes cast by Shareholders voting in person or on a poll by proxy.

Irrevocable undertakings

The Company has received irrevocable undertakings from Bluehone Investors LLP, Close Investments Limited and the Directors to vote, or to procure the votes of Ordinary Shares held, in favour of the Resolutions to be proposed at the EGM in respect of a total of 8,807,319 Ordinary Shares representing approximately 25.7 per cent. of the Existing Ordinary Shares.

VCT and EIS qualifying investment status

On the basis of the information provided, HM Revenue & Customs has given provisional confirmation that Maelor will comply with the requirements of Schedule 28B of the Income and Corporation Taxes Act 1988 and that the Ordinary Shares will be eligible shares for the purposes of VCTs. The status of the Ordinary Shares as a qualifying holding for VCT purposes will be conditional, inter alia, upon the Company and the VCT continuing to satisfy the relevant requirements.

Furthermore, on the basis of information provided to HM Revenue & Customs, the Company has received provisional approval that the Placing Shares should be eligible for EIS purposes, subject to the submission of the relevant claim form in due course. Such a claim by the Company does not guarantee EIS qualification for an individual, whose claim for relief will be conditional upon his circumstances and is subject to holding the Placing Shares throughout the three year relevant period. In addition, for EIS relief not to be withdrawn, the Company and the individual must comply with a number of conditions throughout the qualifying period relating to those shares, and no guarantee can be given that the Company will so comply.

Related party transaction

Under AIM Rule 13 the Acquisition is considered to be a related party transaction by reason of the fact that Peter Murray is a non-executive Director of the Company and a director of Acorus. With the exception of Peter Murray, the Board considers, having consulted with Noble that the terms of the related party transaction are fair and reasonable insofar as the Shareholders are concerned.

Action to be taken

Whether or not you intend to be present at the Extraordinary General Meeting, as a Shareholder you are requested to complete and return the Form of Proxy accompanying the admission document, in accordance with the instructions printed thereon, as soon as possible and in any event so as to be received by the Proxy Processing Centre, Telford Road, Bicester OX26 4LD, or, (during normal business hours) by hand, to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 11.00 am on 2 May 2007. Completion and return of the Form of Proxy will not prevent you, as a Shareholder, from attending the Extraordinary General Meeting and voting in person should you wish to do so.

Recommendation

The Directors, who have been so advised by Noble, consider the terms of the Acquisition to be fair and reasonable so far as Shareholders as a whole are concerned.

In giving its advice, Noble has taken into account the Directors' commercial assessments.

Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the EGM as they have irrevocably undertaken to do in respect of their own beneficial shareholdings amounting to, in aggregate, 1,279,211 Ordinary Shares (representing approximately 4 per cent. of the existing issued share capital of the Company).

DEFINITIONS

In this announcement, where the context permits, the expressions set out below shall bear the following meanings:

'Acorus' Acorus Therapeutics Limited, a company incorporated in England and Wales under registered number 03976183

'Acquisition' the proposed acquisition, by the Company, of the entire issued share capital of Acorus

'Acquisition Agreement' the conditional agreement, dated 5 April 2007, between the Vendors and the Company relating to the sale and purchase of the entire issued share capital of Acorus,

'Act' the Companies Act 1985, as amended

'Admission' First Admission and/or Second Admission and /or Third Admission, as the context may require or permit

'AIM' AIM, an exchange regulated market operated by the London Stock Exchange

'AIM Rules' the AIM Rules for Companies published by the London Stock Exchange from time to time (including, without limitation, any guidance notes or statements of practice) which govern the rules and responsibilities of companies whose shares are admitted to trading to AIM, as amended from time to time

'Board' or 'Directors' the existing directors of Maelor, being Geoff McMillan, Tim Wright, Nigel Goldsmith, Ann Hardy, John Gregory and Peter Murray, which will continue to be the same immediately after the Acquisition

'Combined Code' the combined code on corporate governance issued by the Financial Reporting Council, as amended from time to time

'Company' or 'Maelor' Maelor plc, a company incorporated in England and Wales under registered number 3337415

'Consideration Shares' the 10,000,000 new Ordinary Shares to be issued to the Vendors as part of the consideration pursuant to the Acquisition Agreement

'CREST' the computerised settlement system used to facilitate the transfer of title of shares in uncertificated form operated by CRESTCo Limited for UK, Irish and international securities

'CREST Regulations' the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended

'EIS' the Enterprise Investment Scheme

'EMI Plan' or the Maelor plc Enterprise Management Incentives Plan,
'Enterprise Management

Incentives Plan''Enlarged Group' the Group, including Acorus, following completion of the Acquisition

'Enlarged Share Capital' ordinary share capital of the Company immediately following Third Admission, as enlarged by the issue of the New Ordinary Shares

'EU' the European Union

'Existing Ordinary the 34,280,833 Ordinary Shares in issue immediately prior to First Admission Shares''Existing Share Option the Unapproved Plan or the EMI Plan Plans''Extraordinary General general meeting of the Company to be held the extraordinary at 11.00 am Meeting' or 'EGM' on 4 May2007, at the offices of Morrison & Foerster MNP, Citypoint, One Ropemaker Street, London EC2Y 9AW

'First Admission' the re-admission of the Existing Ordinary Shares and the admission of the New VCT/EIS Shares to trading on AIM becoming effective in accordance with the AIM Rules

'Form of Proxy' the form of proxy for use by Shareholders in connection with the EGM

'FSA' the Financial Services Authority

'FSMA' Financial Services and Markets Act 2000, as amended

'Group' Maelor and its subsidiary undertakings at the date of this announcement

'Lewis Charles' Lewis Charles Securities Limited, which is authorised and regulated by the FSA

'LIBOR' the London Inter-Bank Offer Rate

'Listing Rules' the listing rules issued by the FSA (and amended from time to time) made pursuant to section 74 of FSMA

'Loan Notes' the loan notes to be issued to the Vendors in accordance with the Loan Note Instrument

'Loan Note Instrument' the instrument dated 5 April 2007 made by the Company pursuant to which the Company has agreed to issue £4,877,395 of fixed rate unsecured loan notes to the Vendors to satisfy part of the consideration due under the Acquisition Agreement

'Lock-in Agreement' the conditional agreement dated 5 April 2007 between Noble, the Company and certain Shareholders pursuant to which such Shareholders have undertaken, inter alia, not to dispose of their Ordinary Shares for a period of 12 months following First Admission

'London Stock Exchange' London Stock Exchange plc

'Long Stop Date' 25 May 2007

'New EMI and Unapproved Maelor plc 2007 Enterprise Management Incentive (EMI) and Unapproved Share option plan, to be Plan' adopted at the EGM

New Ordinary Shares' the 90,000,000 new Ordinary Shares in aggregate to be issued pursuant to the Placing and in connection with the Acquisition, being the Placing Shares and the Consideration Shares

'New VCT/EIS Placing' the proposed placing of New VCT/EIS Shares pursuant to the Placing Agreement

'New VCT/EIS Shares' the 35,725,000 new Ordinary Shares which are to be placed with certain VCTs (being those which raised funds on or after 6 April 2006) and/or with certain qualifying investors under the EIS

'Noble' Noble & Company Limited, which is authorised and regulated by the FSA

'Nomad Rules' the AIM Rules for Nominated Advisers published by the London Stock Exchange from time to time (including, without limitation, any guidance notes or statements of practice) which govern, inter alia, the eligibility, approval and continuing obligations of Nominated Advisers (as defined in the AIM Rules), as amended from time to time

'Nominated Adviser the agreement, dated 5 April 2007, between the Company and Noble relating to the appointment of and Broker Agreement' Noble as nominated adviser and broker to the Company

'Non-VCT Placing' the proposed placing of Non-VCT Shares pursuant to the Placing Agreement

'Non-VCT Shares' the 21,375,000 Placing Shares other than the New VCT/EIS Shares and the Protected VCT Shares

'Official List' the Official List of the FSA

'Ordinary Shares' ordinary shares of 10 pence each in the capital of the Company

'Panel' the Panel on Takeovers and Mergers

'Placees' the subscribers of Placing Shares pursuant to the Placing

'Placing' the placing, by Noble on behalf of the Company, of the Placing Shares at the Placing Price pursuant to the Placing Agreement

'Placing Agreement' the conditional agreement, dated 5 April 2007, between the Company, the Directors and Noble relating to the Placing

'Placing Price' 10 pence per Placing Share

'Placing Shares' the New VCT/EIS Shares, the Protected VCT Shares and the Non-VCT Shares

'Plethora' Plethora Solutions Holdings plc

'Prospectus Rules' the Prospectus rules published by the FSA from time to time

'Protected VCT Placing' the proposed placing of Protected VCT Shares pursuant to the Placing Agreement

'Protected VCT Shares' the 22,900,000 new Ordinary Shares which are to be placed with certain VCTs (being those which raised funds prior to 6 April 2006)

'Resolutions' the resolutions set out in the notice of Extraordinary General Meeting

'Second Admission' the admission of the Protected VCT Shares and the Non-VCT Shares to trading on AIM becoming effective in accordance with the AIM Rules

'Shareholders' holders of Ordinary Shares

'Share Option Plans' the Existing Share Option Plans and the New EMI and Unapproved Plan

'Takeover Code' the City Code on Takeovers and Mergers (as published by the Panel)

'Third Admission' the admission of the Consideration Shares to trading on AIM becoming effective in accordance with the AIM Rules

'Unapproved Plan' the Maelor plc 2000 Unapproved Share Option Plan,

'VCT' venture capital trust

'Vendors' Peter Murray and Stephen Jones

* OptiFloTM is a trademark of Bard Limited

-ENDS-