

**Argenta Discovery and AstraZeneca sign a Research Collaboration and
Licensing Agreement to Discover Improved Bronchodilators for COPD**

**- Deal Provides Argenta With \$21 Million Upfront plus Research Funding;
Additional Milestone And Royalty Payments -**

Harlow, UK and London, UK – 31 January 2007 - Argenta Discovery Limited, the respiratory drug discovery and development company, and AstraZeneca (AZ), today announce a major discovery alliance to identify improved bronchodilators to treat chronic obstructive pulmonary disease (COPD).

Under the terms of the agreement, Argenta receives \$21 million upfront plus further committed research funding and pre-clinical milestone payments.

A team of scientists from the two companies will collaborate in order to identify long acting muscarinic (M_3) antagonists (LAMAs) and dual acting muscarinic antagonist- β_2 agonist (MABA) candidate drugs. Upon AZ decision, such candidate drugs will be developed as once daily, inhaled mono or combination therapies. AstraZeneca will be responsible for the development and worldwide commercialisation of products arising out of the collaboration. Dependent upon success, Argenta is eligible for further development, regulatory and sales milestones, taking the total deal value to around \$500 million. Royalties will also be payable to Argenta dependent upon certain sales thresholds being achieved. Argenta will use the funds contributed by the AZ deal to advance its own respiratory anti-inflammatory programmes into the clinic.

Commenting on the agreement, Dr Christopher Ashton, Argenta Discovery's CEO, said, "I am delighted to have partnered this leading programme with AstraZeneca. This is a major transitional deal for Argenta and marks our emergence as a key player in the field of respiratory medicine. The way in which the partnership has been structured creates a real 'win-win' scenario, since we believe that bronchodilator molecules coming out of this collaboration will supersede the benefits of existing bronchodilator therapies with greater duration of action and a more favourable side effect profile. It is anticipated that the first candidate from the collaboration should enter the clinic in 2008."

Claude Bertrand, Vice President Respiratory and Inflammation Research at AstraZeneca said "The management of respiratory diseases remains a major health challenge affecting 150 million people world-wide. Argenta has an innovative strategy in terms of developing new respiratory medicines, which we hope will expand AstraZeneca's strong position in the respiratory disease field. The strength and depth of Argenta's pre-clinical portfolio and the company's fast-track, focused approach to drug discovery are compelling reasons for the partnership. We look forward to working with them."

Dr Harry Finch, Argenta's Executive Vice President, Therapeutics will manage the relationship with AZ and oversee the project from the Argenta perspective.

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Notes to Editors

Chronic obstructive pulmonary disease (COPD) is a disease state characterized by airflow obstruction that is progressive and current therapies, including inhaled corticosteroids, fail to treat disease progression. COPD is a leading cause of morbidity and mortality worldwide with an overall prevalence in adults over 40 years currently estimated at between 9 and 10%. Unlike many other major diseases, deaths due to COPD are increasing and the World Health Organisation (WHO) estimates by 2020 COPD will be the third leading cause of mortality and fifth leading cause of morbidity in the world. Thus there is a high level of unmet medical need for this progressive and debilitating disease.

Argenta Discovery (www.argentadiscovery.com) was founded in August 2000. Argenta has leading expertise in chronic respiratory diseases, including Chronic Obstructive Pulmonary Disease (COPD) and severe asthma. The company has generated a portfolio of pre-clinical bronchodilator and anti-inflammatory programmes with the goal of taking these as far as Phase 2a proof-of-concept. In November 2006 Argenta initiated its first clinical trial with ADC4022, an investigational medicine for the treatment of Chronic Obstructive Pulmonary Disease (COPD) and severe asthma.

Argenta also has a contract research division that provides integrated drug discovery services to a range of leading pharmaceutical and biotechnology companies worldwide.

Argenta employs approximately 125 people and is based in Harlow and Slough, UK.

AstraZeneca (www.astrazeneca.com) is a major international healthcare business engaged in the research, development, manufacture and marketing of prescription pharmaceuticals and the supply of healthcare services. It is one of the world's leading pharmaceutical companies with healthcare sales of \$23.95 billion and leading positions in sales of gastrointestinal, cardiovascular, neuroscience, respiratory, oncology and infection products. AstraZeneca is listed in the Dow Jones Sustainability Index (Global) as well as the FTSE4 Good Index.