



Silence Therapeutics signs siRNA Research & Development Collaboration with AstraZeneca to develop Novel Respiratory Therapeutics

Collaboration to generate up to £200m (~US\$400m) in access fees and milestones plus royalties on product sales

London, UK, 6 July 2007 Silence Therapeutics plc (London LSE: SLN) announces that the Group has entered a Research & Development collaboration with AstraZeneca primarily in the respiratory field. Silence Therapeutics will receive initial access fees, clinical development and commercial milestone payments of up to £200m (~US\$400m) plus royalties on product sales.

The three-year collaboration announced today is designed to discover and develop proprietary siRNA molecules against up to five specific targets provided by AstraZeneca. Silence Therapeutics and AstraZeneca will jointly collaborate in the early phase of identification and optimisation of novel siRNA molecules. AstraZeneca will retain full responsibility for the clinical development and commercialisation. The agreement is primarily in the respiratory field but includes an option to allow for targets that extend the collaboration into other disease areas of interest to AstraZeneca.

Silence Therapeutics will provide AstraZeneca with a license to its proprietary siRNA technology in return for an initial access fee of £7.5m (~US\$15m), comprising a payment of £2.5m (US\$5m), plus an equity investment of £5m (~US\$10m). The £5m (~US\$10m) equity investment in Silence Therapeutics plc will be at 146p per share, which equates to a 10% premium over the volume weighted average price (VWAP) for the 10 trading days prior to the close of the market on 5 July 2007. As a result of this agreement, AstraZeneca will hold 2.94% of the total voting rights of Silence Therapeutics plc.

Iain Ross, Chairman of Silence Therapeutics plc, said:

“We are absolutely delighted to be able to announce this collaboration with AstraZeneca, one of the world’s leading pharmaceutical companies, which has a significant franchise in the respiratory area. This transaction provides further validation of the potential application of Silence Therapeutics’ proprietary AtuRNAi molecules and our leading position in the fast developing

field of RNAi therapeutics. In addition today's agreement highlights our ability to execute collaboration deals in line with our stated corporate strategy.

"We look forward to working with AstraZeneca to develop new RNAi therapeutics for the treatment of respiratory diseases, whilst concurrently continuing to create further significant shareholder value via the development of our proprietary oncology pipeline."

Jan M. Lundberg, Executive Vice-President, Discovery Research, AstraZeneca, said:

"AstraZeneca strive to access new technologies that hold future promise for bringing novel medicines to patients. We are delighted to partner with Silence Therapeutics in developing their siRNA technology and build on our investments made in biopharmaceutical and vaccine areas. siRNA technology will enable AstraZeneca to target disease mechanisms intractable to small molecules and other approaches."

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Notes to Editors

Silence Therapeutics plc (www.silence-therapeutics.com)

Silence Therapeutics plc (LSE:SLN) is a leading RNAi company. RNA interference (RNAi) can selectively 'silence' genes linked to the onset of disease.

Silence Therapeutics has developed novel, proprietary short interfering RNA ('siRNA') molecules, AtuRNAi, which provide a number of advantages over conventional siRNA molecules as they show increased stability against nuclease degradation. In addition, the Company has developed a proprietary systemic delivery system, AtuPLEX. This enables the delivery of siRNA molecules to targeted diseased tissues and cells, whilst increasing their bioavailability and intracellular uptake.

Silence Therapeutics has sublicensed the AtuRNAi compound RTP-801i to Pfizer through its collaboration partner Quark Biotech Inc. for the treatment of Age-related Macular Degeneration (AMD) and a number of other indications. This compound entered the clinic in early 2007. Silence Therapeutics has also licensed a further AtuRNAi compound, AKli-5, to Quark Biotech Inc. This compound has been granted an IND for acute kidney injury and is expected to enter the clinic in 2007. In addition, Silence Therapeutics expects to begin the clinical development of its proprietary AtuRNAi therapeutic molecules for systemic cancer indications, such as gastrointestinal and non-small lung cancer, in 2008.

Silence Therapeutics is based in London, UK, and Berlin, Germany, and is listed on AIM.

About RNAi

RNA interference (RNAi), a Nobel Prize winning technology, is one of the most exciting areas of drug discovery today. This is because it represents a completely new approach to selectively 'silence' or inactivate disease relevant genes and as such it has the potential to create a new class of therapeutic products. RNAi could

therefore offer a therapeutic approach to a broad range of diseases (cancer, infectious diseases, inherited diseases), many of which have been regarded as incurable and are not addressed by current therapeutics, therefore providing a large market opportunity.

About AstraZeneca

AstraZeneca 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 \$26.5 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 FTSE4Good Index. More information about AstraZeneca can be found at www.astrazeneca.com.

Forward-Looking Statements

This press release includes forward-looking statements that are subject to risks, uncertainties and other factors. These risks and uncertainties could cause actual results to differ materially from those referred to in the forward-looking statements. All forward-looking statements are based on information currently available to Silence Therapeutics and Silence Therapeutics assumes no obligation to update any such forward-looking statements.

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