

SR Pharma plc

Holding in Company

London 19 January 2007 – SR Pharma plc (the Company) announces that it received notification yesterday that following a reduction in their holding, FMR Corp. and its direct and indirect subsidiaries and Fidelity International Limited and its direct and indirect subsidiaries, both being non-beneficial holders, held 10,154,331 SR Pharma plc Ordinary Shares, representing 8.98% of the issued share capital of the Company.

- Ends -

SR Pharma (www.srpharma.com)

SR Pharma plc is a European biopharmaceutical company, listed on AIM. The Company has two operating subsidiaries Atugen AG (www.atugen.com) based in Berlin, Germany and Stanford Rook Ltd based in London, UK.

SR Pharma is a leader in RNAi therapeutics, which is a Nobel Prize winning technology that "silences" genes linked to the onset of disease. The Company has developed novel, chemically modified proprietary siRNA molecules ("AtuRNAi"), which have a number of advantages over conventional siRNA molecules including enhanced stability against nuclease degradation. In addition, the Company has developed a proprietary delivery system ("AtuPLEX"), which increases bioavailability, circulation times and functional intracellular uptake of siRNA molecules.

SR Pharma expects to begin the clinical development of its own AtuRNAi therapeutic molecules for systemic cancer indications in 2007. SR Pharma also has AtuRNAi compounds partnered with Quark Biotech and Pfizer, the lead programme of which is expected to enter clinical trials in the near future for Age-related Macular Degeneration.

SR Pharma also owns a proprietary Mycobacterium vaccae-based technology and related products and a number of other proprietary compounds and related intellectual property. Currently the Company is in discussions with third parties regarding the co-development and out-licensing of these products.

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 SR Pharma and SR Pharma assumes no obligation to update any such forward-looking statements.

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