

Summit Corporation plc
(‘Summit’ or ‘the Company’)

PROPOSED PLACING OF NEW ORDINARY SHARES TO RAISE £5.0 MILLION

Oxford, UK, 4 April 2012, Summit (AIM: SUMM), a UK drug discovery company, today announces a share issue to raise £5.0 million (before expenses) through the issue of 166,666,670 new Ordinary Shares by way of a Placing at 3.0 pence per Ordinary Share to certain institutional investors and Directors. The Placing is being fully underwritten by Singer Capital Markets Limited on, and subject to, the terms of the Placing Agreement. Hybridan LLP acted as Joint Brokers on this transaction.

The Circular (the “Circular”) relating to the Placing will be posted to shareholders today. The Circular contains a notice of General Meeting to approve, *inter alia*, the Placing which will be held at the offices of Fasken Martineau LLP, 17 Hanover Square, London, W1S 1HU on 20 April 2012 at 10:00 a.m.

The Circular will soon be available to view on the Company’s website (www.summitplc.com). Copies will also be available from the offices of Summit, 91 Milton Park, Abingdon, Oxfordshire, OX14 4RY.

Commenting on the proposed Placing, Barry Price PhD, Executive Chairman of Summit said: “The good progress made in the development of our key drug programmes and Seglin™ technology means we have a number of assets that are expected to reach key development milestones over the coming months. This proposed fundraising, combined with the strengthening of the executive management team following the appointment Glyn Edwards as Chief Executive, will help to ensure the Company is able to capitalise on the potential of these assets and generate value for all our shareholders.”

A webcast presentation for investors will be available from the Company’s website from 10:00 a.m. BST today.

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Notes to Editors

About Summit

Summit is an Oxford, UK based drug discovery Company with an innovative Seglin™ technology platform for the discovery of new medicines and a portfolio of drug programme assets. Summit's programme portfolio consists of a number of drug programmes targeting high-value areas of unmet medical need including Duchenne Muscular Dystrophy and *C. difficile* infection. Summit is listed on the AIM market of the London Stock Exchange and trades under the ticker symbol SUMM. Further information is available at www.summitplc.com.

Forward Looking Statements

This contains forward-looking statements. These statements relate to, among other things, analysis and other information that are based on forecasts of future results and estimates of amounts not yet determinable. These statements also relate to the Company's future prospects, developments and business strategies. Forward-looking statements are identified by their use of terms and phrases such as "anticipate", "expect", "believe", "could", "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions.

The forward-looking statements in this document are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. These forward-looking statements speak only as at the date of this document. The Company cannot guarantee that its forward looking statements will not differ materially from actual results. The Company does not undertake any obligation to update forward-looking statements or risk factors other than as required by any relevant regulations, whether as a result of new information, future events or otherwise. The Company cautions you therefore that you should not rely on any of these forward looking statements as statements of historical fact or as guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements are regional, national, global, political, economic, business, competitive, market and regulatory conditions

1. Background to and reasons for the Placing

The Group has cash resources which, based on the current levels of cash expenditure, are expected to last into Q3 2012. As a consequence, the Group requires additional finance to enable its strategy for creating shareholder value to be implemented in an optimal manner.

It is the intention of the Directors that the amount of £4.6 million (net of costs) being raised from the Placing, will be used to fund a Phase I study for the Company's *C. difficile* programme and to support the development of the programme targeting the enzyme OGA, for the treatment of Alzheimer's disease and related dementias, in addition to providing the Company with sufficient funds to develop new infectious and rare disease programmes from its Seglin™ technology platform. In addition, an amount will be set aside for working capital and general corporate and commercial purposes.

The proceeds of the Placing will significantly enhance the Group's financial position and provide it with sufficient cash resources to fund the business into Q3 2013.

If the Resolutions are not passed by Shareholders at the General Meeting, the Placing would be unable to proceed. In this situation, the Company would not have cash resources to maintain current operations beyond the third quarter of 2012 and would need to consider alternative strategic options that the Directors believe would not be in the best interests of stakeholders. These options could include raising finance from alternative sources, disposals of intellectual property assets, reducing costs through redundancies or other means or a sale of the Company at a price which the Directors believe would not recognise the potential long-term value of the business. Any one, or all, of these remedial actions could have a significant adverse or dilutive effect on the interests of Shareholders and in the valuation of the

Company. In addition, should the Company or its subsidiaries be forced to make an arrangement with creditors or suffer some other insolvent event then title in the most advanced programmes, *C. difficile* and/or Duchenne Muscular Dystrophy, could be lost.

Future activities

Placing proceeds of £4.6m (net of costs) will enable the Company to benefit from the results of the Phase I clinical study of SMT C1100 for the treatment of Duchenne Muscular Dystrophy programme. Your Board believes that the completion of this Phase I trial represents a key development milestone. If the Phase I is successful then the Company would seek to commercialise the interest in the programme through collaboration with other companies to progress SMT C1100 through further clinical trials in return for an up-front payment, development and regulatory milestones and sales royalties. Headline data from this study are anticipated in Q3 2012. The Company intends to develop SMT 19969 through a Phase I study as a treatment for *C. difficile* infection ('CDI'). At the end of this study, which is anticipated to be in H1 2013, the Company may seek partners to further develop the product in return for an up-front payment, development and regulatory milestones and sales royalties. The Company further intends to investigate the activity of compounds derived from its Seglin™ technology platform against a number of promising targets. This includes advancing our programme targeting the enzyme OGA, which is implicated in the progression of Alzheimer's disease and related neurodegenerative diseases, through to *in vivo* proof concept. Reaching this stage is expected to increase the potential of being able to secure a licensing partner to continue the development of the programme. In addition, new programmes will be developed from the Seglin platform in targeting infectious and rare diseases to build on our established expertise in these areas

2. Terms of the Placing

The Placing has been underwritten by Singer and is conditional upon the Resolutions having passed. The New Ordinary Shares will, when issued, rank *pari passu*, in all respects with the Existing Ordinary Shares. Admission is expected to take place and dealing in the New Ordinary Shares on AIM are expected to commence at 8.00 a.m. on 24 April 2012.

3. Current Trading and Prospects

The Company has made significant progress in the development of the SMT C1100 (DMD programme) and SMT 19969 (*C. difficile* infection programme) assets. Both of these assets are set to enter Phase I clinical studies during the coming period. If these studies are successful then the value of these assets would increase. In addition, compounds have been identified from our Seglin discovery programme that show activity against the enzyme OGA that is implicated in the progression of Alzheimer's disease and related dementias. The advances made in this programme serve to highlight the broader potential of Seglin™ technology platform as we work towards establishing new programmes in other therapy areas.

Potential News Flow Events 2012-2013

Programme	News	2012
DMD	CTA approval to commence start of Phase I clinical trial	Q2
<i>C. difficile</i>	CTA application submitted for Phase I clinical trial in healthy volunteers	Q3
DMD	Headline results from Phase I clinical trial	Q3
Alzheimer's	Completion of <i>in vivo</i> acute studies	H2
		2013
Alzheimer's	Lead candidate identification	H1
<i>C. difficile</i>	Results from Phase I clinical trial	H1
Alzheimer's	<i>In vivo</i> proof of concept results	H1

4. General Meeting

A notice convening the General Meeting to be held at the offices of Fasken Martineau LLP, 17 Hanover Square, London, W1S 1HU at 10.00am on 20 April 2012 is set out in the Circular.

The Resolutions proposed at the General Meeting are as follows:

1. an ordinary resolution to authorise the Directors, pursuant to section 551 of the Act, to issue the Placing Shares and the Warrants;
2. a special resolution, pursuant to section 571 of the Act, to disapply the statutory pre-emption rights on the allotment of equity securities, pursuant to the authority contained in Resolution 1;
3. an ordinary resolution to authorise the Directors, pursuant to section 551 of the Act, to issue 35,408,845 Ordinary Shares in addition to the New Ordinary Shares; and
4. a special resolution, pursuant to section 570 of the Act, to disapply the statutory pre-emption rights on the allotment of equity securities, pursuant to the authority contained in Resolution 3;

5. Recommendation

The Directors, taking into account the options available to the Company, believe the Placing to be fair and reasonable so far as the Shareholders are concerned. Lansdowne Partners, a substantial shareholder in the Company, is subscribing for 44,203,944 Placing Shares in the Placing for a consideration of £1.3 million. As such, the Placing constitutes a related party transaction under Rule 13 of the AIM rules. The Directors consider, having consulted with Singer, that the terms of the Placing are fair and reasonable insofar as Shareholders are concerned.

Accordingly, the Directors unanimously recommend Shareholders to vote in favour of the Resolutions as the Directors intend to do in respect of their beneficial shareholdings amount to 10,020,951 Ordinary Shares, representing approximately 5.3 per cent of the Company's existing issued ordinary share capital.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2012
Announcement of the Placing and Posting	4 April
General Meeting	10.00 a.m. on 20 April
Admission and commencement of dealings of the Placing Shares	23 April

Notes:

- (1) References to times in this Announcement are to London time (unless otherwise stated).
- (2) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement to an RIS.
- (3) The timing of the events in the above timetable and in the rest of this Announcement is indicative only.