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**CRT PIONEER FUND, BACIT AND SAREUM ENTER AGREEMENT TO FUND
DEVELOPMENT OF DRUGS TO TREAT CANCERS INCLUDING PANCREATIC,
BOWEL AND LUNG**

THE Cancer Research Technology Pioneer Fund (CPF), London Stock Exchange-listed investment company, BACIT Limited (BACIT), and drug discovery company, Sareum Limited (Sareum), have entered into an agreement to co-fund the further development of a class of cancer drugs called CHK1 inhibitors.

The candidate inhibitor originates from research in the Cancer Research UK Cancer Therapeutics Unit at The Institute of Cancer Research, London, by scientists funded by Cancer Research UK working alongside Sareum's researchers, and in collaboration with Cancer Research Technology (CRT).

A significant proportion of the further work funded by this new investment will be carried out at The Institute of Cancer Research (ICR), and it is expected that the drug candidate will be taken into clinical development at The Royal Marsden NHS Foundation Trust.

The rights to the preclinical programme have been licensed into CPF from CRT and the ICR. Under the terms of the deal, CPF obtains worldwide rights to the preclinical CHK1 inhibitor programme and is responsible, for future development and commercialisation, funded by CPF, BACIT and Sareum. CRT and the originating research partners, Sareum and the ICR, are entitled to an up-front fee plus success milestone and royalty payments. Financial terms of the licence are not disclosed.

The investment is the first by BACIT in a drug development or medical innovation project at the ICR.

CHK1 inhibitors control a cancer cell's response to DNA damage. Blocking CHK1 could boost the efficacy of chemotherapy drugs by blocking repair of the DNA damage caused by these drugs, but without harming healthy cells.

The developers of the programme believe the candidate CHK1 inhibitor to be developed could potentially treat a range of cancers including pancreatic, bowel and non-small cell lung cancer (NSCLC) in combination with DNA-damaging chemotherapy drugs and radiotherapy. The inhibitor could also potentially treat certain neuroblastoma and acute myeloid leukaemia (AML) types when dosed alone.

Ian Miscampbell, managing partner of Sixth Element Capital, the Manager of CPF, said: "This is the third investment made by the £50M CPF which CRT and the European Investment Fund launched in 2012 to bridge the UK funding gap between cancer drug discovery and early treatment development.

"We're delighted to be working in partnership with BACIT and Sareum to fund this exciting development programme. This kind of funding collaboration will ensure that we can maximise the amount of money which can be committed through the CPF to develop new cancer therapies."

Tom Henderson of BACIT, said: "This collaboration marks BACIT's first investment in a drug development project, and we're delighted to be involved in such an exciting programme with the potential to deliver benefits for patients with many different types of cancer."

Dr Tim Mitchell, CEO of Sareum, said: "The funding which we are announcing today will enable the project to move swiftly towards, and potentially into Phase I clinical trials, the successful outcome of which should pave the way for the further development and commercialisation of a novel and broadly applicable cancer treatment."

Professor Paul Workman, deputy chief executive of The Institute of Cancer Research, said: "We're delighted to be working with this innovative and powerful consortium to accelerate progress on the CHK1 inhibitor programme. The support of BACIT has been particularly

welcome and this type of funding is absolutely essential if we are to deliver benefits from new molecularly targeted cancer drugs to patients.

“Our CHK1 inhibitor has exciting potential both as a cancer treatment in its own right and also as a drug to boost the effectiveness of chemotherapy and radiotherapy. All the partners are eager to expedite the drug candidate into clinical trials as quickly as possible because of the potential to treat large numbers of cancer patients with this approach.”

Dr Keith Blundy, chief executive of Cancer Research Technology, said: “We’re delighted that this investment will bridge the gap to develop a promising molecule so that it can be taken into clinical trials to give to patients – a huge step on the way to providing new options for patients and one that may have been delayed for years without the vital injection of cash and resources provided through the CRT Pioneer Fund.”

ENDS

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Note to editors

About Sixth Element Capital and CRT Pioneer Fund

Sixth Element Capital is a fund management business, which has been established to identify

investment gaps initially in healthcare markets and to implement novel solutions to bring finance and innovation together. Sixth Element Capital LLP is authorised and regulated by the Financial Conduct Authority.

The first fund managed by Sixth Element Capital is the CRT Pioneer Fund. This £50m fund has been established with Cancer Research Technology (CRT) and the European Investment Fund (EIF) to bridge the investment gap between cancer drug discovery and early development. It will take potential cancer drugs, primarily discovered by Cancer Research UK, from discovery through to entry to Phase II clinical trials before partnering with pharmaceutical and biotechnology companies. CRT and the EIF are making equal contributions to the CRT Pioneer Fund. For more information please visit www.sixthelementcapital.com.

About EIF

EIF's central mission is to support Europe's micro, small and medium sized enterprises by helping them to access finance. EIF designs and develops venture and growth capital and guarantees instruments which specifically target this market segment. EIF has a crucial role to play throughout the value chain of enterprise creation, from the earliest stages of intellectual property development to mid and later stage SMEs. EIF fosters EU objectives in support of innovation, research and regional development, entrepreneurship, growth, and employment. At the end of 2012, EIF has committed EUR 6.9bn in over 430 venture and growth capital funds.

About BACIT

BACIT Limited is a self-managed, closed-ended investment company listed on the London Stock Exchange (Ticker: BACT.L). Its investment objective is to deliver superior returns from investments in leading long-only and alternative investment funds with proven managers and across multiple asset classes. Investments are only made where the relevant investment manager provides investment capacity on a "gross return" basis, meaning that BACIT does not bear the impact of management or performance fees on the relevant investment. Further, BACIT does not charge any fees to its own investors. BACIT makes an annual donation of 1 % of its net asset value to charity, half of which is donated to the ICR and half to the BACIT Foundation, which grants that half (net of the BACIT Foundation's expenses) to

charities in a list proposed annually by the BACIT Foundation (including the ICR) in proportions determined by BACIT's investors. Further, BACIT may invest up to 1% of its net asset value each year to acquire interests in drug development and medical innovation projects undertaken by the ICR.

About Sareum

Sareum, a wholly-owned subsidiary of Sareum Holdings plc, is a drug discovery company, headquartered in Cambridge UK, that produces targeted small molecule therapeutics, focusing on cancer and auto-immune disease. Sareum aims to successfully deliver drug candidates for licensing to pharmaceutical and biotechnology companies at the pre-clinical or early clinical trials stage.

Sareum Holdings plc is listed on the AIM market of the London Stock Exchange and trades under the symbol SAR. For further information, please visit www.sareum.co.uk

About The Institute of Cancer Research

The Institute of Cancer Research, London, is one of the world's most influential cancer research institutes.

Scientists and clinicians at The Institute of Cancer Research (ICR) are working every day to make a real impact on cancer patients' lives. Through its unique partnership with The Royal Marsden NHS Foundation Trust and 'bench-to-bedside' approach, the ICR is able to create and deliver results in a way that other institutions cannot. Together the two organisations are rated in the top four cancer centres globally.

The ICR has an outstanding record of achievement dating back more than 100 years. It provided the first convincing evidence that DNA damage is the basic cause of cancer, laying the foundation for the now universally accepted idea that cancer is a genetic disease. Today it leads the world at isolating cancer-related genes and discovering new targeted drugs for personalised cancer treatment.

As a college of the University of London, the ICR provides postgraduate higher education of international distinction. It has charitable status and relies on support from partner organisations, charities and the general public.

The ICR's mission is to make the discoveries that defeat cancer. For more information visit www.icr.ac.uk

About Cancer Research Technology

Cancer Research Technology (CRT) is a specialist commercialisation and development company, which aims to develop new discoveries in cancer research for the benefit of cancer patients. CRT works closely with leading international cancer scientists and their institutes to protect intellectual property arising from their research and to establish links with commercial partners. CRT facilitates the discovery, development and marketing of new cancer therapeutics, vaccines, diagnostics and enabling technologies. CRT is a wholly owned subsidiary of Cancer Research UK, the world's leading cancer charity dedicated to saving lives through research. Further information about CRT can be found at www.cancertechnology.com

About Cancer Research UK

- Cancer Research UK is the world's leading cancer charity dedicated to saving lives through research
- The charity's groundbreaking work into the prevention, diagnosis and treatment of cancer has helped save millions of lives. This work is funded entirely by the public.
- Cancer Research UK has been at the heart of the progress that has already seen survival rates in the UK double in the last forty years.
- Cancer Research UK supports research into all aspects of cancer through the work of over 4,000 scientists, doctors and nurses.
- Together with its partners and supporters, Cancer Research UK's vision is to beat cancer.

For further information about Cancer Research UK's work or to find out how to support the charity, please call 0300 123 1861 or visit www.cancerresearchuk.org. Follow us on [Twitter](#) and [Facebook](#)