

**SPH.L**

### **Sinclair Pharma plc: Settlement with former management**

Sinclair Pharma plc ("Sinclair" or "the Company": SPH:L), the international specialty pharma company, announces that it has reached a settlement with Dr Michael Flynn and Mr Jerry Randall in connection with the compromise agreements entered into between Dr Flynn and Mr Randall and the Company on 22 December 2009 and 20 November 2009 respectively (the "Compromise Agreements").

Under the terms of the Compromise Agreements the Company had provided for £375,000 which was payable to Dr Flynn and Mr Randall. However, under the settlement the Company will make total payments of £175,000 to Dr Flynn and Mr Randall. The Company was also due to issue a total of 2,172,915 ordinary shares under the Compromise agreements. As part of the settlement 1,086,909 ordinary shares will be issued.

As a result, application has been made to the UKLA for 1,086,909 new ordinary shares of 1 pence each (the "New Ordinary Shares") to be admitted to the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. Application is also in hand for the New Ordinary Shares to be admitted to trading on Eurolist by Euronext Paris. It is expected that Admission will become effective on 22 December 2010 and that dealings in the New Ordinary Shares will commence at 8.00 a.m. on 22 December 2010.

The Company has now settled all outstanding employee disputes arising from the restructuring undertaken in late 2009 and expects to be able to write back restructuring charges of approximately £0.5 million in its interim results to 31 December 2010.

**Ends**

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**Notes to Editors:**

**About Sinclair Pharma Plc** [www.sinclairpharma.com](http://www.sinclairpharma.com)

Sinclair Pharma plc is an international specialty pharmaceutical company providing solutions to treat wounds, dermatological and oral diseases through advanced surface technology and innovative delivery systems. It has a growing sales and marketing operation that is present in France, Italy, Germany and Spain, and an extensive marketing partner network across selected developed & emerging markets.

*"Safe Harbor" Statement under the US Private Securities Litigation Reform Act of 1995: Some or all of the statements in this document that relate to future plans, expectations, events, performances and the like are forward-looking statements, as defined in the US Private Securities Litigation Reform Act of 1995. Actual results of events could differ materially from those described in the forward-looking statements due to a variety of factors.*