

Avacta Group plc

Acquisition of YorkTest Veterinary Services Limited

Avacta Group plc (“Avacta” or the “Company”), which provides innovative tools for life science research and molecular diagnostics, is pleased to announce the acquisition of YorkTest Veterinary Services Limited (“YTVS”) a York based veterinary laboratory services business.

The maximum consideration is £825,000 payable in cash with £700,000 payable at completion and a further deferred element of up to £125,000 subject to completion accounts.

YTVS provides a complete allergy testing service to veterinary practices in the UK, EU and worldwide. Their technology enables the analysis of blood samples from dogs, cats and horses to assist in the diagnosis and treatment of adverse reactions to foods, pollens, insects and moulds. YTVS has established itself as a leading animal allergy testing provider by maintaining rigorous quality control and high levels of customer support and now provides its services to around 55% of UK veterinary clinics and has distributors and partners in the EU, Middle East and Far East.

Avacta is developing technology products, services and intellectual property with both human and veterinary diagnostics applications. The lower regulatory hurdles associated with the veterinary market allows for near term opportunities in this market. Avacta has been working with YTVS to develop a new veterinary diagnostics technology, MIDAS, with broad utility across a range of animal healthcare including allergy testing, which it expects to launch later this year. Today’s acquisition of YTVS by Avacta brings a well established and highly regarded UK business in the veterinary support services sector into Avacta, and provides the Company with an important route to market for its new veterinary diagnostic technology products and services.

YTVS had unaudited revenues for the year ended 31 December 2008 of approximately £1,038,000 (2007: audited £982,000) and an unaudited operating profit of £171,000 (2007: audited £191,000). The unaudited net assets of YTVS at 31 December 2008 were £221,000 (2007: audited £170,000).

Alastair Smith, Chief Executive Officer, Avacta, commented:

“I am absolutely delighted that YTVS is joining the Group. The development of veterinary diagnostic products and services is a key theme in Avacta’s growth strategy and YTVS provides the Group with a well established and well respected route to market as well as a very experienced management team with in depth knowledge of the veterinary market requirements worldwide. We are committed to maintaining the current business of YTVS and its very high level of quality and customer satisfaction and to adding to their product range with new and innovative products and services delivered by Avacta.”

Janice Hogg, Managing Director, YTVS, added:

“YorkTest Veterinary Services have been engaged in the research and development of commercial serological tests to assist veterinary surgeons in the diagnosis and treatment of allergies since 1999. The Company has grown from a small start up to become the leading specialist veterinary allergy laboratory in the UK. I am very proud of our reputation and this will be further enhanced by becoming part of the prestigious Avacta group. This means that not only will we continue to deliver the most comprehensive support programme to our veterinary customers worldwide but also increase our portfolio with innovative services that will ensure animals achieve better health.”

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Enquiries:

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Notes to Editors:

About Avacta:

Avacta was spun-out from the University of Leeds in 2004 by its current management team as a biophysics company, with the aim of combining the disciplines of physics and biology to develop innovative technologies and expert technical services to address needs in the pharmaceutical, defence and clinical diagnostics markets. Avacta has a core bio-analytical technology development programme addressing the needs of the biopharmaceutical sector to fully characterise their new products at the earliest stage in their development to reduce the risk of late stage failure. High value solutions in clinical diagnostics are also being targeted for these core bio-analytical technologies and for Avacta's trace gas analysis technology as well as opportunities in industrial and military sensing applications. A successful and growing part of the Avacta business model is its technical services arm, Avacta Analytical Limited, which is focused on providing leading edge contract research to the biopharmaceutical and healthcare/personal-care materials sectors. Avacta listed on AIM in August 2006 through the reverse takeover of Readybuy plc which changed its name to Avacta Group plc.