

5 April 2017

Reallocation of capital and resources in line with plan to accelerate commercialisation

Funding at 7 subsidiaries to be discontinued, with resources diverted to most promising investments and pipeline

This announcement contains inside information.

Boston, MA (5 April 2017) - Allied Minds (LSE: ALM) today announces that it will undertake a restructuring, reallocating capital and management resources across the portfolio and pipeline in line with our goal to accelerate commercialisation. The restructuring will result in discontinued funding for 7 subsidiaries (the "Discontinued Subsidiaries"). A process will be undertaken to seek strategic alternatives for these businesses, which could include sales or transfers of legal entities or assets, or liquidations. Capital and management resources unlocked from this process will be diverted to other companies and opportunities in the portfolio where there is greatest potential for value creation. Attention will be focused in particular on our more advanced subsidiaries and most promising early stage companies, and on scaling our origination platform to take full advantage of opportunities across our network of research institutions and corporate partnerships.

The Discontinued Subsidiaries are: Biotectix; Cephalogics; CryoXtract; Novare Pharmaceuticals; Optio Labs; RF Biocidics; and Tinnitus Treatment Solutions. Discontinuation of funding at these subsidiaries will free up approximately \$14 million of capital spend budgeted for 2017 but so far not undertaken, or approximately \$9 million net of a restructuring charge currently estimated at \$4.7 million to be taken in the second quarter. As at 30 June 2016 the Discontinued Subsidiaries in aggregate represented \$146.6 million of Allied Minds' Group Subsidiary Ownership Adjusted Value (GSOAV). It is currently expected that this value will be marked down in its entirety on publication of our full year results, but with some modestly offsetting net positive movements elsewhere in the portfolio.

Jill Smith, interim CEO of Allied Minds, commented "There is tremendous potential across our portfolio and pipeline and I am excited by our prospects and the opportunities to drive accelerated commercialisation. Today's measures are a necessary step in refocusing the Company on the areas where we have most potential. While many of the Discontinued Subsidiaries have demonstrated progress against technical milestones, the path to commercialisation is unlikely to yield appropriate financial

returns. At the same time, there is an opportunity cost of diverting capital consumed by these subsidiaries from investment in some very promising areas of the portfolio and in scaling our pipeline and partnerships. The restructuring will result in a mark down to GSOAV. However, it places Allied Minds in a stronger position to capitalise on the exciting opportunities in front of us, and ultimately to deliver returns to shareholders over the medium term to longer term through accelerated commercialisation and monetisation, and portfolio growth. These are never easy decisions and I wish to thank the employees, partners and customers of the affected subsidiaries for their contribution and support."

Allied Minds will host a call for investors and analysts on 27 April 2017 on publication of results for the 12 months to 31 December 2016.

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About Allied Minds

Allied Minds is a diversified holding company focused on venture creation within the life science and technology sectors. With extensive access to hundreds of university and federal labs across the U.S., Allied Minds forms, funds, and operates a portfolio of companies to generate long-term value for its investors and stakeholders. Based in Boston, with nationwide presence in Los Angeles and New York, Allied Minds supports its businesses with capital, central management, and shared services. For more information, please visit www.alliedminds.com

Allied Minds Forward-Looking Statement

This press release contains statements that are or may be forward-looking statements, including statements that relate to Allied Minds' future prospects, developments and strategies. The forward-looking statements are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results, performance and achievements to differ materially from current expectations, including, but not limited to, those risks and uncertainties described in the risk factors included in Allied Minds' regulatory filings. These forward-looking statements are based on assumptions regarding the present and future business strategies of Allied Minds and the

environment in which it will operate in the future. Each forward-looking statement speaks only as at the date of this press release. Except as required by law, regulatory requirement, the Listing Rules and the Disclosure Guidance and Transparency Rules, neither Allied Minds nor any other party intends to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

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