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If you have sold or otherwise transferred all your holding of Ordinary Shares in Fulcrum Pharma Plc you should immediately forward this document, including the Form of Proxy, as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

FULCRUM PHARMA PLC

(Incorporated and registered in England and Wales with registered number 3930927)

Notice of Extraordinary General Meeting

This Circular does not constitute an offer to sell or a solicitation of an offer to buy any of the Ordinary Shares of the Company in the United States, Canada, Australia, South Africa, Ireland or Japan. Overseas shareholders and any person (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the United Kingdom should seek appropriate advice before taking any action.

The distribution of this Circular and any offering or sale of Ordinary Shares of the Company in certain jurisdictions may be restricted by law. No action has been taken by the Company or Seymour Pierce Limited that would permit an offering of the Ordinary Shares of the Company or possession or distribution of this Circular or any other offering or publicity material relating to the Ordinary Shares of the Company in any jurisdiction where action for that purpose is required. Persons into whose possession this Circular comes are required by the Company and Seymour Pierce Limited to inform themselves about and to observe any such restrictions.

Notice of Extraordinary General Meeting of Fulcrum Pharma Plc to be held at the offices of Seymour Pierce Limited, Bucklersbury House, 3 Queen Victoria Street, London, EC4N 8EL at 12.00 p.m. on 12 April 2007 is set out at the end of this document. The enclosed pre-paid Form of Proxy for use at the Extraordinary General Meeting should be completed and returned as soon as possible and, in any event, so as to reach the Company's registrars, Capita Registrars, Proxy Processing Centre, Telford Road, Bicester, OX26 4LD, not less than 48 hours before the time fixed for the Extraordinary General Meeting. Completion and return of a Form of Proxy will not preclude any Shareholder from attending and voting at the Extraordinary General Meeting should they wish to do so.

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EXPECTED TIMETABLE

Publication of this document	19 March 2007
Latest time and date for receipt of Forms of Proxy	12.00 p.m on 10 April 2007
Extraordinary General Meeting	12.00 p.m on 12 April 2007

DEFINITIONS

In this document, the following words and expressions shall, except where the context requires otherwise, have the following meanings:

“Act”	Companies Act 1985 as amended;
“Acquisition”	the proposed acquisition of Unicus by the Company, pursuant to the Acquisition Agreement;
“Acquisition Agreement”	the agreement dated 19 March 2007 made between the shareholders of Unicus and the Company;
“Admission”	admission of the Placing Shares to trading on AIM;
“AIM”	the AIM market operated by London Stock Exchange plc;
“Board” or “Directors”	the directors of the Company;
“Circular”	this document;
“Company” or “Fulcrum”	Fulcrum Pharma plc;
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company convened for 12.00 p.m. on 12 April 2007, notice of which is set out on page 8 of this document;
“Form of Proxy”	the form of proxy enclosed with this document for use in connection with the EGM;
“Group”	Fulcrum and its subsidiaries;
“Ordinary Shares”	ordinary shares of 1p in the capital of the Company;
“Placing”	the proposed conditional placing by the Company of the Placing Shares at the Placing Price;
“Placing Price”	4.25p per Placing Share;
“Placing Shares”	the 49,411,758 new Ordinary Shares to be issued pursuant to the Placing;
“Quadramed”	Quadramed Limited
“Qualifying Investors”	such persons who are able to participate in the Placing in compliance with the Financial Services and Markets Act 2000 and other relevant laws;
“Resolutions”	the resolutions set out in the notice of EGM at the end of this document;
“Seymour Pierce”	Seymour Pierce Limited;
“Shareholders”	holders of Ordinary Shares; and
“Unicus”	Unicus Regulatory Services Limited.

LETTER FROM THE CHAIRMAN

FULCRUM PHARMA PLC

(Incorporated and registered in England and Wales with registered number 3930927)

Directors:

Dr. Jon Court, *Chief Executive Officer*
Dr. Alastair Devlin, *Japan Operations Director*
Geoffrey Smith, *Finance Director*
Professor Sir Charles George, *Non-Executive Director*
Dr. Michael Carter, *Non-Executive Director*
Dr. Angus Bell, *Non-Executive Director*

Registered and Head Office:

Hemel One,
Boundary way,
Hemel Hempstead,
Hertfordshire
HP2 7YU
United Kingdom

19 March 2007

Dear Shareholder,

Your Board announced today that it has conditionally agreed to acquire Unicus for a consideration of up to a maximum of £5 million to be satisfied by a combination of cash, deferred cash and loan notes. The terms of the Acquisition include an initial cash payment £2.5 million and a performance based earn-out.

Your Board has also announced a proposal to raise approximately £2.1 million (before expenses) by way of the Placing by Seymour Pierce to contribute to the funding of the initial consideration for the Acquisition. The initial consideration will also be funded by a term loan of £1 million from the Company's bankers.

The purpose of this document is to explain the reasons for the Acquisition and the Placing and to seek Shareholders' approval of the Resolutions to be proposed at the EGM, notice of which is set out at the end of this document.

Background to, and reasons for, the Acquisition

Fulcrum was admitted to trading on AIM as an independent virtual drug development company on 15 March 2000. The Company aimed to become the first to offer global virtual drug development and strategic outsourcing services to the pharmaceutical industry.

In recent years, the Company has focused on broadening the Company's expertise in pharmaceutical regulatory services.

On 9 February 2006, the Company announced the acquisition of Quadramed, a regulatory services business. Quadramed, was founded in 1991, as a provider of regulatory consultancy services relating to clinical trials, marketing authorisation submissions and post-approval maintenance. This acquisition enabled the Company to establish Fulcrum Regulatory Services which has since become an important contributor to the Group both in terms of sales and in enabling Fulcrum to offer new services through an expanded client base.

The acquisition of Quadramed was viewed by the Board as the first step in the delivery of the Company's strategic objective of deepening its expertise in regulatory services.

Since the acquisition of Quadramed, the Directors have focused their attention on completing further complementary acquisitions in the regulatory services sector.

The Directors believe that the proposed Acquisition is the next step for the Company towards achieving its stated strategic objective.

The Proposed Acquisition

The Company has agreed, conditional, inter alia, upon the passing of the Resolutions and Admission to acquire the entire issued share capital of Unicus. Unicus is a regulatory affairs business based in Berkshire.

Unicus was founded in 1996 by Collette Beglin, Managing Director, and is jointly owed by her and her husband Steven Trotter, a Unicus director.

Unicus currently employs 38 people and offers a number of regulatory and other services to the pharmaceutical sector, including:

- Regulatory Affairs;
- Regulatory Interim Management;
- Product Information Management;
- Pharmacovigilance;
- Coaching & Development; and
- Electronic Publishing

Unicus's unaudited turnover to the year ended 31 March 2006 was £2.69 million, which generated profits after taxation of £211,000. Unicus had unaudited net assets of £234,000 for the year ended 31 March 2006.

The Company has entered into the Acquisition Agreement to acquire the entire issued share capital of Unicus. Under the conditional Acquisition Agreement, the initial consideration of £2.5 million is to be satisfied in cash. The earn out is based on the fees earned by Unicus for 12 months from 1 April 2007 to 31 March 2008. Earn out consideration, up to a maximum £2.3 million, will be paid on a pro-rata basis for fees earned by Unicus in excess of £3.2 million up to an upper limit of £5.3 million. The earn out consideration if fully earned, will be satisfied with £1,050,000 in cash and £1,250,000 in convertible loan notes. The convertible loan notes are convertible into ordinary shares at a conversion price of 6p per ordinary share at the option of the noteholder. The convertible loan notes will attract interest at a rate of 2 per cent. over the Bank of England base rate and up to a maximum of 7.5 per cent. per annum.

Current Trading and Prospects

Following the Group's return to profitability in the last financial year, a further update on trading can be given.

Overall, Fulcrum's order book and pipeline of proposals has strengthened and current trading is in line with market expectations. Strong sales performances in Europe and Fulcrum Regulatory Services have continued, as has Japan's good contribution to global sales. Fee sales in the US have remained flat. However it is expected that the change of leadership in the Group's US division effected at the end of 2006 will result in a better contribution to the Group in the future.

Pharmaceutical and biotech services remain a growth sector in which changes in the regulatory environment have particularly increased the demand for regulatory services and know-how. Fulcrum has capitalised on this market opportunity through the successful acquisition of Quadramed, a regulatory services company based in the UK, in February 2006. The next step in Fulcrum's growth strategy is the acquisition of Unicus, a complementary regulatory services company to further increase revenue and profits.

Details of the Placing

The Company is proposing to raise approximately £2.1 million (before expenses) through the placing by Seymour Pierce of 49,411,758 new Ordinary Shares at a price of 4.25p per share. Part of the Placing, comprising 6,426,399 Placing Shares, is subject only to the new Ordinary Shares being admitted to trading on AIM which it is expected will occur on 23 March 2007.

The remainder of the Placing, comprising 42,985,359 Placing Shares, is conditional upon, *inter alia*, the passing of the resolutions at the EGM referred to below and admission to trading on AIM of these Placing Shares, which is expected to take place on 16 April 2007 (or such later date as Seymour Pierce and the Company may agree, being not later than 23 April 2007).

Seymour Pierce, pursuant to a placing agreement dated 19 March 2007 between the Company and Seymour Pierce, has agreed to use its reasonable endeavours to place the Placing Shares at the Placing Price to Qualifying Investors. The placing agreement confers on Seymour Pierce the right, among other things, to terminate its obligations prior to admission of the new Ordinary Shares in the event of material breach of warranty or undertaking and/or certain “force majeure” events relating to the occurrence of adverse market conditions.

The Placing Shares will rank *pari passu* with the existing Ordinary Shares, including the rights to all dividends and other distributions declared, paid or made after the date of issue.

Certain of the Directors intend to participate in the Placing as follows:

<i>Director</i>	<i>No. of Placing Shares acquired in the Placing</i>	<i>No. of Placing Shares held following completion of the Placing</i>
Professor Sir CF George	117,647	457,647
Dr J A Bell	470,588	970,588
Dr J P Court	235,294	7,634,622
Dr J A Devlin	117,647	7,093,975
C G G Smith	1,529,411	2,932,744

Share Options

It is intended that following completion of the Placing and Acquisition, that the following options over Ordinary shares will be granted to the following director and key employees under the Fulcrum Pharma plc Unapproved Share Option Scheme and EMI Scheme as a long term incentive:

<i>Name</i>	<i>Scheme</i>	<i>Options</i>	<i>Exercise Price</i>	<i>Vesting Period</i>	<i>Exercise Period</i>
Geoffrey Smith	Unapproved	1,200,000	6p	2 years	7 years
	EMI	1,200,000	6p	3 years	7 years
	Unapproved	2,400,000	12p	3 years	7 years
Sarah Arbe-Barnes	Unapproved	950,000	6p	2 years	7 years
	EMI	950,000	6p	3 years	7 years
	Unapproved	1,900,000	12p	3 years	7 years
Phil Birch	Unapproved	950,000	6p	2 years	7 years
	EMI	950,000	6p	3 years	7 years
	Unapproved	1,900,000	12p	3 years	7 years
Teruyoshi Okuda	Unapproved	950,000	6p	2 years	7 years
	Unapproved	950,000	6p	3 years	7 years
	Unapproved	1,900,000	12p	3 years	7 years

The vesting of the share options will be subject to the requirement that the annual profit before tax and exceptional items exceeds £1.5 million.

Extraordinary General Meeting

Shareholder approval of the Resolutions is being sought at the EGM. At the end of this document is a notice convening an Extraordinary General Meeting at which Shareholders will be asked to consider and if thought fit to pass the following resolutions:

1. an ordinary resolution to increase the authorised share capital of the Company to £4,000,000 by the creation of 200,000,000 new Ordinary Shares;
2. an ordinary resolution to give the Directors authority under section 80 of the Act to allot new Ordinary Shares, for the purpose of the Placing, to grant options over a maximum of 20,000,000 Ordinary Shares to a Director and certain senior employees of the Company and its subsidiaries, and to allot new Ordinary Shares up to an aggregate nominal amount of £220,146, such authority to expire 5 years from the passing of the resolution; and
3. a special resolution to empower the Directors to allot new Ordinary Shares for cash as if Section 89 () of the Act did not apply, such authority expiring 5 years from the passing of the resolution.

Irrevocable Undertaking

The Company has received irrevocable undertakings to vote in favour of the Resolutions, in respect of a total of 55,027,871 Ordinary Shares, representing, in aggregate, approximately 42.81 per cent. of the issued share capital of the Company, comprised as follows:

- (a) from each of the Company's Directors (and certain members of their immediate family), in respect of their entire beneficial holdings which amount in aggregate, to 16,618,989 Ordinary Shares, representing approximately 12.93 per cent. of the existing issued share capital of the Company; and
- (b) from certain shareholders in respect of 38,408,882 Ordinary Shares, representing approximately 29.88 per cent. of the existing issued share capital of the Company.

Action to be taken

A Form of Proxy is enclosed with this document for use by Shareholders at the EGM. Whether or not Shareholders intend to be present at the EGM they are asked to complete, sign and return the Form of Proxy to the Company's registrars, Capita Registrars, Proxy Processing Centre, Telford Road, Bicester, OX26 4LD as soon as possible but in any event so as to arrive no later than 12.00 p.m. on 10 April 2007. The completion and return of a Form of Proxy will not preclude Shareholders from attending the EGM and voting in person should they wish to do so. Accordingly, whether or not Shareholders intend to attend the EGM in person they are urged to complete and return the Form of Proxy as soon as possible.

Recommendation

Your Directors consider that the passing of the Resolutions is in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions to be proposed at the EGM as they have irrevocably undertaken to do in respect of their own beneficial holdings of 16,618,989 Ordinary Shares, representing approximately 12.93 per cent. of the Company's existing issued Ordinary Shares.

Yours sincerely

Professor Sir Charles George

FULCRUM PHARMA PLC

(Incorporated and registered in England and Wales with registered number 3930927)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting of Fulcrum Pharma Plc (the “Company”) will be held at the offices of Seymour Pierce Limited, Bucklersbury House, 3 Queen Victoria Street, London, EC4N 8EL at 12.00 p.m. on 12 April 2007 to consider and, if thought fit, pass the following Resolutions of which resolutions 1 and 2 will be proposed as Ordinary Resolutions and resolution 3 as a Special Resolution.

Ordinary Resolution

- (1) **THAT** the authorised share capital of the Company be increased by £2,000,000 to £4,000,000 by the creation of an additional 200,000,000 ordinary shares of 1p each (“Ordinary Shares”).
- (2) **THAT**, conditional upon the passing of Resolution 1, the directors be and they are hereby generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 (“the Act”) to exercise all powers of the Company to allot relevant securities (as defined in section 80(2) of the Act) provided that this authority shall be limited to:
 - (a) the allotment of up to 42,985,359 Ordinary Shares pursuant to the Placing (as such term is defined in the circular of the Company of which this notice forms part (“Circular”));
 - (b) the grant of options over a maximum of 20,000,000 Ordinary Shares to a director and senior employees of the Company and its subsidiaries as described in the Circular; and
 - (c) the allotment (other than pursuant to paragraphs (a) and (b) above) of relevant securities up to an aggregate nominal amount of £220,146,

and unless previously renewed, revoked, varied or extended, this authority shall expire on the date which is 15 months from the date of the passing of this resolution except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities in pursuance of such an offer or agreement as if this authority had not expired.

Special Resolutions

- (3) That subject to and conditional upon the passing of resolutions 1 and 2, in substitution for all previous authorities, the Directors of the Company be hereby empowered to allot equity securities (as defined in section 94(2) of the Act) as if section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:
 - (i) the allotment of new Ordinary Shares in connection with an offer of shares open for acceptance for a period fixed by the Board to holders of shares on the register of members of the Company on a date fixed by the Board in proportion (as near as may be) to their respective holdings of such shares or in accordance with the rights attached thereto but subject to such exclusions or other arrangements as the Board may deem necessary or expedient to deal with any:
 - (a) fractional entitlements; and
 - (b) directions from any holders of Ordinary Shares to deal in some other manner with their respective entitlements; and
 - (c) legal or practical problems arising in any overseas territory; and
 - (d) the requirements of any regulatory body or stock exchange; and
 - (ii) the allotment of up to 42,985,359 new Ordinary Shares pursuant to the Placing (as defined in the Circular); and

- (iii) the grant of options over a maximum of 20,000,000 Ordinary Shares to a director and senior employees of the Company and its subsidiaries as described in the Circular;
- (iv) the allotment (otherwise than pursuant to sub-paragraphs (i), (ii) and (iii) of new Ordinary Shares up to an aggregate nominal value of £220,146,

and hereby conferred shall expire at the earlier of the date which 15 months after the passing of this resolution and the conclusion of the next annual general meeting of the Company, and so that the Company may before such expiry make an offer or agreement which will or might require Ordinary Shares to be allotted after such expiry and the Directors may allot Ordinary Shares in pursuance of any such offer or agreement as if such power conferred hereby had not expired.

19 March 2007

Registered office

Hemel One
Boundary Way
Hemel Hempstead
Hertfordshire
HP2 7YU
United Kingdom

By order of the Board

Lesley Wotherspoon
Company Secretary

Notes:

- (i) A member entitled to vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his or her behalf. A proxy need not be a member of the Company. A form of proxy is attached to this notice for use at the meeting.
- (ii) To be valid, the instrument appointing a proxy (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of authority in accordance with section 3 of the Powers of Attorney Act 1971) must be deposited at or posted to the office of the registrars of the Company, Proxy Processing Centre, Telford Road, Bicester, OX26 4LD, to be received no less than 48 hours before the time fixed for the meeting. Completion and return of the form of proxy will not preclude shareholders from attending or voting at the meeting in person.

