

5 November 2008

Phorm, Inc. (“Phorm” or the “Company”)

Disclosure of Share Sale

Phorm (AIM: PHRM and PHRX) announces that on 31 October 2008 it was notified that on 10 October 2008, Valerie Boffy, the partner of Phorm CEO, Kent Ertugrul, sold 5,000 common shares of \$0.001 each in the capital of the Company (“Shares”) at a price of £4 per Share. Accordingly, following this sale, Ms Boffy holds 302,500 Shares representing 2.19% of the total issued voting shares of the Company. The Company is making this voluntary disclosure of information.

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