

14 May 2008

Phorm, Inc. ("Phorm" or the "Company")

Exercise of options

(The Company (AIM: PHRM and PHRX) announces that 13,639 share options over common shares of \$0.001 each in the capital of the Company ("Common Shares") were exercised by employees on 12 May 2008.

Application has been made for the 13,639 Common Shares issued pursuant to the option exercise to be admitted to trading on AIM.

The shares will rank pari passu with existing Common Shares and it is expected that admission will occur at 8.00am on 20 May, 2008.

Following the issue of these shares the Company will have 13,844,863 voting common shares in issue, none of which are in treasury..

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