

GW ANNOUNCES £8M MILESTONE PAYMENT FROM ALMIRALL

Porton Down, UK, 1 April 2009: GW Pharmaceuticals plc (GWP:AIM) today announces that it has received confirmation from its licensing partner, Laboratorios Almirall S.A., that it will pay to GW a milestone payment of £8 million. GW will receive the payment within the next few weeks.

Under the GW-Almirall contract, this milestone payment became due in the event that GW obtained positive results in its recent Sativex[®] Multiple Sclerosis Spasticity Phase III trial and, in addition, Almirall considered that the data was sufficiently positive to include a country within their licensed territory (Europe excluding UK) as part of the resultant Sativex regulatory submission. Following their review of the complete data from the positive Phase III trial announced on 11th March, Almirall have now confirmed their positive opinion of the data and that they wish to include Spain in the forthcoming regulatory submission.

GW expects to submit the regulatory submission in Q2 09 to the UK and Spain under the European decentralized procedure. Following approval in the UK and Spain, GW and Almirall intend to expand into other European countries under the mutual recognition procedure.

Justin Gover, GW's Managing Director, said, "We are delighted that Almirall share our positive view of the Phase III data and confidence in the prospects for regulatory approval. This milestone payment further underlines GW's robust financial position."

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Notes to Editors

Sativex Phase III Trial

On 11 March 2009, GW announced positive preliminary results from a pivotal Phase III double-blind randomised placebo-controlled study of Sativex[®] in patients with spasticity due to Multiple Sclerosis (MS), who have achieved inadequate spasticity relief with existing therapies. This study was requested by the UK regulator in order to gain approval in this indication.

The prospectively defined primary efficacy endpoint of the study - the difference between the mean change in spasticity severity of Sativex vs Placebo - was highly statistically significantly in favour of Sativex (p=0.0002). The difference between Sativex and placebo was also highly significant for a number of secondary endpoints, including the 30% responder analysis (p=0.0003), spasm frequency (p=0.005), sleep disturbance

($p < 0.0001$), patient global impression of change ($p = 0.023$), and physician global impression of change ($p = 0.005$).

Regulatory Strategy

Following these positive results, GW will submit a regulatory application in Q2 09 in the UK and Spain. The UK will act as Reference Member State. Following approval in these two countries, GW will seek to expand the approval into other European countries via the mutual recognition procedure.

Upon approval, Sativex will be marketed exclusively in the UK by Bayer HealthCare and in the rest of Europe by Almirall.

MS Spasticity

Spasticity (spasms and stiffness) is one of the most common symptoms of MS occurring in as many as three-quarters of people with MS. Spasticity can affect many aspects of daily life, such as walking and sitting. Sativex aims to treat high need patients who have previously failed to gain adequate benefit from currently available anti-spasticity treatments

Sativex Prescription Use

Sativex is approved and marketed in Canada for the treatment of cancer pain and MS neuropathic pain. In addition, Sativex is available on prescription in the UK on a “named patient” basis and has to date been exported to 22 countries around the world.

About GW

GW was founded in 1998 and listed on the AIM, a market of the London Stock Exchange, in June 2001. Operating under license from the UK Home Office, the company researches and develops cannabinoid pharmaceutical products for patients who suffer from a range of serious ailments, in particular multiple sclerosis and cancer pain. GW has assembled a large in-house scientific team with expertise in cannabinoid science as well as experience in the development of both plant-based prescription pharmaceutical products and medicines containing controlled substances. GW occupies a world leading position in cannabinoids and has developed an extensive international network of the most prominent scientists in the field.