

AlphaRx Unveils its China Strategy

AlphaRx plans to open an R&D facility and manufacturing plant in China with local partners, to introduce innovative drug products to the fastest growing pharmaceutical market in the world.

MARKHAM, ON, July 21 - AlphaRx (OTC BB:ALRX - News), an emerging biopharmaceutical company, utilizing proprietary drug delivery technology to develop novel formulations of drugs, is forging ahead with its growth strategy for Greater China. As part of this strategy, AlphaRx is poised to open a “state of the art” R&D and pilot plant facility in China with local partners. The R&D facility will focus on the development of innovative drug products targeting infectious disease and various forms of cancer. Additionally, the Company, together with its local partners, plans to develop adjuvant vaccines to treat influenza, such as H5N1 and H1N1 strains.

AlphaRx currently has a topical NSAID awaiting near-term registration in China and is developing a second product - GAI-122 - an injectable nanoemulsion, in collaboration with Gaia BioPharma for the treatment of acute hepatitis, a therapy with a multi-million dollar potential indication in China.

The Chinese government has been a strong supporter of the life sciences industry. It plans to further increase its investment in the sector through a variety of grants and awards in some of its leading science and technology parks and through the National Program 863, originally established in March 1983 by Deng Xiaoping to award grants to science and technology projects that have significant commercial value. Most notably, in November 2008, China launched the Mega New Drug Development Program, a plan to invest \$10 billion over the next 13 years, with the aim of creating a China-based innovative drug development industry.

About AlphaRx Inc.

AlphaRx is a specialty pharmaceutical company dedicated to developing proven therapies by reformulating FDA approved and marketed drugs which through the application of its proprietary site-specific nano drug delivery technology, offers improved medical benefits and a potential for significant commercial product development.

Forward Looking Statements:

This release contains forward-looking statements within the meaning and pursuant to the Safe Harbor provisions of the Securities Litigation Reform Act of 1995 and involve risks and uncertainties that may individually or mutually impact the matters herein described, including but not limited to product development and acceptance, manufacturing, competition, regulatory and/or other factors, which are outside the control of the companies.

For more information, please contact:

AGORACOM Investor Relations Corp.

Web: <http://www.agoracom.com>

E-mail: ALRX@Agoracom.com