

AlphaRx Provides Corporate Update

Hong Kong, April 29, 2010 (MARKETWIRE) -- AlphaRx, Inc. (OTCBB: ALRX), a specialty pharmaceutical company utilizing proprietary drug delivery technology to develop novel formulations of drugs, today announced that subsequent to the March 29, 2010 announcement of the plan to list the Company's Canadian subsidiary on a Canadian exchange, AlphaRx Inc., AlphaRx Canada Limited (a subsidiary of AlphaRx Inc.) and Pacific Orient Capital, Inc. ("Pacific Orient"), a Canadian company listed on the TSX Venture Exchange have signed a non-binding letter of intent ("LOI") under which AlphaRx Canada Limited and Pacific Orient will combine in a stock transaction.

The combined company, which will be named Pacific Orient BioPharma Group, intends to be an innovative high tech enterprise engaging in branded generic drug development, market promotion and distribution in China and other emerging markets.

"China's drug market is expected to expand at about 22% annually over the next five years. Furthermore, China's ambitious \$124 billion effort to provide basic health coverage for the vast majority of its 1.3 billion citizens by 2011 is an enormous opportunity for us," said Ruby Hui, President of AlphaRx China Operations.

Leadership and Integration

The combined company intends to seek approval from the TSX Venture Exchange for the appointment of Ruby Hui as its director and President, Conroy Cheng and Michael Lee (currently President & CEO of AlphaRx Inc.) as its directors, Dr. Michael Weisspapir (currently Chief Medical Officer of AlphaRx Inc.) as its Chief Scientist and Marcel Urbanc CA (currently CFO of AlphaRx Inc.) as its Chief Financial Officer. The following is information concerning Ruby Hui and Conroy Cheng.

Ruby Hui

Ms. Hui is the President of China Operations for AlphaRx Inc., through its subsidiary AlphaRx Life Sciences Ltd. Ms. Hui has extensive experience in marketing and project management. Ms. Hui was Marketing Manager at New World Development, a multi-billion dollar investment holding company with interests in health care, pharmaceuticals, property development, hotels, infrastructure, telecommunications and retailing in Hong Kong and China. Before joining New World Development, Ms. Hui was Senior Property Manager at Chinese Estates Holdings Limited, a US\$4 Billion property development company based in Hong Kong and listed on the Hong Kong Stock Exchange, which is run and controlled by her family members.

Conroy Cheng

Mr. Cheng is a board director of Chow Tai Fook Group. The Chow Tai Fook Group is a substantial private enterprise owned by members of Mr. Cheng's family, with a total

market value over US\$32 Billion. The Group's businesses primarily focus on mainland China and Hong Kong. Its worldwide work force totals more than 100,000 employees.

Terms of the Transaction

Under the terms of the LOI, Pacific Orient will issue 5,500,000 of its common shares at a deemed price of C\$0.60 per share in exchange for all of the issued and outstanding shares in the capital of AlphaRx Canada Limited and the marketing rights of Indaflex for Asia and Mexico. In conjunction with the transaction, Pacific Orient will conduct a private placement to raise a maximum of C\$1,500,000 by issuance of common shares at C\$0.60 per share. Completion of the private placement is a condition of closing the transaction.

Following completion of the transaction, the combined company will have a total of 10,000,000 common shares outstanding, of which 5,500,000 (55%) of the outstanding shares will be owned by AlphaRx International Holdings Limited ("AIH"). AIH is a corporation incorporated under the laws of the British Virgin Islands. AIH is 80% owned by AlphaRx Inc. and 20% owned by Ruby Hui.

The common shares of the combined company will be listed on the TSX Venture Exchange.

Approvals and Time to Close

The transaction is subject to approval by each company's board of directors and the satisfaction of customary closing conditions and regulatory approvals. Subject to the satisfaction of these conditions, the companies anticipate completing the transaction by the third quarter of 2010.

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. The Company's product candidates address various pharmaceutical markets, including inflammation, stroke and pneumonia.

For more information, please contact:

Michael Lee
President & CEO
AlphaRx Inc.
Web: www.AlphaRx.com
Email: info@AlphaRx.com