

AlphaRx and Riso Pharma Sign Collaboration and Licensing Agreement

MARKHAM, Ontario, September 30, 2009 - AlphaRx Inc., has entered into an exclusive collaboration and licensing agreement with Riso Pharma Tech for the development of ARX606T, an early stage product candidate intended for wound treatment.

Under the terms of the agreement, AlphaRx will give Riso exclusive global rights (with the exception of Asia) of ARX606T, which makes use of AlphaRx's proprietary formulation technology to deliver a safe and well known growth factor topically to patients with severe wounds and ulcers. AlphaRx will earn a double digit royalty on future sales of ARX606T in all countries covered by the agreement and Riso will be responsible for all clinical development and commercialization activities.

"Earlier this year we set ourselves the goal of securing research collaborations to fund our research activities. In August we announced a collaboration with Venturepharm and today we are delighted to announce this licensing agreement with Riso Pharma," said Michael Lee, President & CEO of AlphaRx Inc. "The licensing agreement is in line with our early-stage partnering business strategy which not only reduces development costs but also allows the company to earn significant revenues from successful product commercialization."

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 drug delivery technology, offers improved medical benefits and a potential for significant commercial product development.

About Riso Pharma Tech

Riso Pharma Tech is a Canadian-based affiliate of a large Holding Company: Riso Holding, based in Tehran, Iran. As a group, Riso has sole agency agreements with some of the largest pharmaceutical companies in the world for the Iranian market. Riso is also a provider of medicinal products and health care supplements serving dedicated markets world-wide, but focusing on the Middle East, North Africa and Latin America.

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.