

AlphaRx Signs Term Sheet for Development and Commercialization of its Products in Asia

Monday April 24, 8:00 am ET

Markham, Ontario, April 24, 2006 -- AlphaRx Inc. (OTC Bulletin Board: ALRX), an emerging biopharmaceutical company utilizing proprietary drug delivery technology to develop novel formulations of drugs, is pleased to announce a term sheet agreement has been signed between New Super Limited (“NSL”), and AlphaRx International Holdings Limited (“AIH”), a wholly owned subsidiary of AlphaRx Inc. (“AlphaRx”), for the purpose of funding AIH’s ongoing business developments and commercialization of its licensed products in its pharmaceutical and consumer health (over-the-counter) product line in Asia.

Under the terms of the agreement, NSL has agreed to subscribe AIH’s shares equivalent to 25% of the total number of issued shares on a fully diluted basis for an aggregate consideration of twenty million Hong Kong dollars (HK\$20,000,000), approximately US\$2,564,102. In addition, because NSL and AIH executed the term sheet on or before April 18, 2006, NSL has made a non-refundable payment of HK\$778,000, (approx. US\$100,000), to AIH.

Immediately following execution of the term sheet, the parties agreed to negotiate in good faith with the objective of executing a Definitive Agreement within a 45-day period. If the parties fail to execute a Definitive Agreement prior to the expiration of the 45-day period, either party may, at any time thereafter, terminate negotiations upon written notice to the other.

Michael Lee, CEO of AlphaRx, stated, "The signing of the term sheet further solidifies our position as a legitimate and well respected biopharmaceutical company. Each new strategic alliance provides us with an ever increasing distribution network which we can fully leverage as we continue to bring new pharmaceuticals to market." Lee went on to say, "We are very excited about this new relationship with New Super Limited and believe that both our companies will reap the benefits of this alliance well into the foreseeable future."

This press release is available on the Company's official online Investor Relations HUB at <http://www.agoracom.com/IR/AlphaRx> for investor questions, answers and monitored commentary. Alternatively, investors are able to e-mail all questions and correspondence to ALRX@agoracom.com where they can also request addition to the investor e-mail list to receive all future press releases and updates in real time.

About AlphaRx Inc.

AlphaRx is an emerging biopharmaceutical company utilizing proprietary drug delivery technology to develop novel formulations of drugs that are insoluble or poorly soluble in water or have yet to be administrable to the human body with an acceptable delivery

method. The Company's product candidates address various pharmaceutical markets, including arthritis, tuberculosis, ocular infection and inflammation, cataracts, hospital acquired pneumonia and sepsis. AlphaRx has advanced a portfolio of proprietary technologies into Phase I and Phase II human clinical trials.

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:

For AlphaRx Inc.:

AGORACOM Investor Relations Corp.

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

E-mail: ALRX@Agoracom.com