



BioAlliance Pharma
The Drug Resistance Company

**BioAlliance Pharma announces fund raising of
€40 million by private placement
This operation will foster an accelerated growth of the
company**

Paris, July 26, 2007 -- BioAlliance Pharma SA (Euronext Paris – Code Isin: FR0010095596 - BIO), a specialty pharmaceutical company focused on the development and commercialization of innovative therapeutics targeting drug resistance in cancer, HIV, and opportunistic infections, announces today that it has raised funds by means of a private placement, using the authorization granted by the extraordinary shareholder meeting of 24 April 2007. The gross proceeds of the share capital increase amounts to € 40 million.

The share capital increase, led by BRYAN, GARNIER & Co as manager and bookrunner, was reserved for 32 international institutional qualified investors (companies or investment funds) investing in the pharmaceutical/biotech sector.

3.131.020 new shares have been issued at a share price of € 12,79, representing 25,2% of the outstanding share capital of BioAlliance Pharma post operation.

BioAlliance Pharma intends to apply for the listing of the shares on the Eurolist market of Euronext Paris, where they will be fully fungible with the existing ordinary shares of the Company. A prospectus has been submitted for approval to the “Autorité des Marchés Financiers” for the listing of the shares. The settlement-delivery of the new shares will take place on August 1st 2007.

Dominique Costantini, CEO of BioAlliance Pharma, said: “We are particularly pleased by the success of this operation and we thank all the investors who expressed their confidence in our company. This secondary financing, by major investors in the life science and biopharmaceutical industry, is a significant endorsement of BioAlliance product portfolio, which as of today includes three products in phase III. These funds follow in a timely manner the perfect execution of our Loramyc® strategy, including the formation of our 50% JV SpeBio in Europe (€ 29.5 million deal announced in March 07) and the signed agreement with PAR Pharmaceutical in the USA (\$65 million plus significant royalties, July 07). This capital injection will first allow us to accelerate the transition to clinical development stage for our promising new products as well as to develop more products capitalizing on our validated Lauriad® adhesive technology. Targeted product acquisitions in the HIV/Cancer field will also be part of our activities. BioAlliance will generate higher revenues with this growth strategy and will be poised to be a major Specialty Pharma in Europe.”

About BioAlliance Pharma

BioAlliance Pharma SA (Euronext Paris: BIO) is a specialty pharmaceutical company focused on the development and commercialization of innovative therapeutics targeting drug resistance in cancer, HIV, and opportunistic infections.

The Company is conducting clinical development of three innovative products. Two products are based on the Lauriad® mucoadhesive technology which allows an early and prolonged release of therapeutic agents at the site of the disease: 1 authorized product in France and 2 clinical

international phase III trials ongoing (Loramyc® and aciclovir Lauriad®). One product is based on the Transdrug® nanoparticle technology designed specifically for intracellular targeting: 1 international phase III trial ongoing on primary liver cancer (doxorubicin Transdrug®). The company develops also a New Entities program focused on new targets in oncology and HIV. The company has concluded two strategic partnerships in 2007 to sell its Loramyc® product in Europe and in the US.

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This communication expressly or implicitly contains certain forward-looking statements concerning BioAlliance Pharma SA and its business. Such statements involve certain known and unknown risks, uncertainties and other factors, which could cause the actual results, financial condition, performance or achievements of BioAlliance Pharma SA to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. BioAlliance Pharma SA is providing this communication as of this date and does not undertake to update any forward-looking statements contained herein as a result of new information, future events or otherwise.

For a discussion of risks and uncertainties which could cause actual results, financial condition, performance or achievements of BioAlliance Pharma SA to differ from those contained in the forward-looking statements please refer to the Risk Factors (Facteurs de Risque) section of the reference document approved by the AMF on 6 April 2007 under the number R. 07-031, which is available on the AMF website <http://www.amf-france.org> or BioAlliance Pharma S.A.'s website <http://www.bioalliancepharma.com>.

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For press release and other company information, visit www.bioalliancepharma.com.

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