



## Press Announcement

**FOR IMMEDIATE RELEASE**

### **PALADIN ANNOUNCES FILING OF FINAL PROSPECTUS**

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**Montreal, Canada, May 3, 2002** - Paladin Labs Inc. (TSE:PLB) today announced that it has filed a final prospectus with the applicable Securities Commissions in the Provinces of Quebec, Ontario and British Columbia, and has received receipt for the prospectus from such commissions. This final prospectus is in relation to its offering of 2,205,500 common shares issuable, without additional consideration, upon the exercise of 2,205,500 previously issued special warrants at a price of \$9.50 per special warrant for gross proceeds of \$20,952,250.

This financing was co-led by CIBC World Markets Inc. and Yorkton Securities Inc. and included Desjardins Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., and Sprott Securities Inc.

*The Common Shares offered have not and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold in the United States except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable states securities laws.*

#### **About Paladin Labs Inc.**

Paladin Labs Inc., headquartered in Montreal, Quebec, is a rapidly growing pharmaceutical company focused on acquiring or in-licensing innovative pharmaceutical products for the Canadian market. With this strategy, a focused national sales team and proven marketing expertise, Paladin has evolved into one of Canada's most profitable publicly-traded pharmaceutical companies. Paladin's shares trade on the Toronto Stock Exchange under the symbol *PLB*. For more information about Paladin, please visit the Paladin Web Site at [www.paladinlabs.com](http://www.paladinlabs.com).

*This news release may contain forward-looking statements or predictions. These statements represent our judgement as of this date and are subject to risks and uncertainties that could cause actual results or events to differ materially from those expressed in such forward-looking statements. Potential risks and uncertainties include, without limitation, those associated with product development, clinical trials, future revenues and profitability, and obtaining marketing approval.*

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