



NEWS RELEASE

PALADIN APPOINTS TWO NEW DIRECTORS TO ITS BOARD

Montreal, Canada, May 1, 2003 - Paladin Labs Inc. (TSX: PLB), a leading Canadian specialty pharmaceutical company, today announced the appointments of Aldo R. Baumgartner, Ph.D., and Michael S. Cloutier to its Board of Directors.

“We are delighted to welcome Dr. Baumgartner and Mr. Cloutier to our Board of Directors,” said Jonathan Ross Goodman, President and CEO of Paladin Labs. “Paladin’s Board now consists of former Canadian Presidents of Merck Frosst, Novartis, Pharmacia and Wyeth-Ayerst. We look forward to benefiting from their extensive industry knowledge and expertise as we move forward in executing on our business plan.”

Dr. Aldo R. Baumgartner has had a long and distinguished career in the pharmaceutical industry. From 1992 until February 2003, Dr. Baumgartner was President and CEO of Wyeth-Ayerst Canada Inc. Prior to joining Wyeth-Ayerst, Dr. Baumgartner was President and General Manager of Hoffman-LaRoche’s Belgian operations. He also served as President and CEO of Hoffmann-La Roche Canada from 1981 until 1988. Dr. Baumgartner has been active in several health related associations. He is a former Chairman of the Board of Directors of Canada’s Research-Based Pharmaceutical Companies (Rx&D). He was also a Member of the Management Board of the Canadian Institutes of Health Research/Rx&D Research Program and served on the Board of Governors of Montreal Technovision, as well as other health related advisory boards. Dr. Baumgartner holds a Ph.D. in Chemistry from Geneva University in Switzerland.

Michael S. Cloutier was the President of Pharmacia Canada until April 30, 2003. Prior to his appointment as President of Pharmacia Canada in 2000, Mr. Cloutier was President of Searle Canada. At Searle, Mr. Cloutier held a variety of executive positions including Senior Director-Operations, Latin America and Canada. He was appointed President of Searle in 1998 where he provided leadership to oversee the merger of Pharmacia & Upjohn with Monsanto Company and its G.D. Searle unit. In addition, Mr. Cloutier serves on the Executive of the Board of Directors for Canada’s Research-Based Pharmaceutical Companies (Rx&D) and is Co-Chair of the Ontario Regional Committee of Rx&D. He also serves on the Board of Directors for the Canadian Arthritis Network and the Board of Governors of Joseph Brant Memorial Hospital.

Concurrent with the appointments of Dr. Baumgartner and Mr. Cloutier to Paladin’s Board of Directors, the Company announced the resignation of Dr. Brad Thompson from its Board.

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 leading specialty 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.

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.

For further information please contact:

Samira Sakhia
Chief Financial Officer

Paladin Labs Inc.

Tel: (514) 340-5067

E-mail: info@paladin-labs.com

Web Site: www.paladinlabs.com

Bruce Wigle
Investor Relations

The Equicom Group Inc.

Tel: (416) 815-0700 ext.228

E-mail: bwigle@equicomgroup.com