



NEWS RELEASE

PALADIN LICENSES VISICOL[®] FROM INKINE

Montreal, Canada, May 20, 2003 – Paladin Labs Inc. (TSX: PLB), a leading Canadian specialty pharmaceutical company, and InKine Pharmaceutical Company, Inc. (Nasdaq: INKP), today announced that they have entered into a Canadian licensing agreement for Visicol[®], the first patented sodium phosphate purgative in tablet format available in the United States. Visicol[®] is used to cleanse the bowel prior to a colonoscopy. As consideration for the license, Paladin has paid an undisclosed up-front license fee, with additional royalties due to InKine based on future net sales of Visicol[®].

Colonoscopy is a commonly used screening technique for colon cancer. There are approximately 300,000 colonoscopies performed in Canada each year carried out almost exclusively by 300 gastroenterologists. According to IMS Canada, in 2002 the total Canadian market for purgative agents was \$5.08 million, up 13% versus 2001.

"We are pleased to partner with InKine on bringing Visicol[®] to the Canadian marketplace. I am confident that Canadian patients will appreciate having a safe and effective alternative to liquid sodium phosphate and PEG formulations," said Jonathan Ross Goodman, President and CEO of Paladin.

"We are delighted to have Paladin as our partner in Canada," said Leonard S. Jacob, M.D., Ph.D., Chairman and CEO of InKine. "Paladin has an excellent track record of in-licensing innovative products and leveraging their proven marketing capabilities."

For more information about Visicol[®], a detailed product profile is now available in the products section of Paladin's Web Site at:

http://www.paladinlabs.com/our_products/key_products.html#Visicol

About Paladin Labs

Paladin Labs Inc., headquartered in Montreal, Canada, is a leading specialty 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.

About InKine Pharmaceutical

InKine Pharmaceutical Company, Inc. is a publicly traded specialty biopharmaceutical company focused on the diagnosis and treatment of gastrointestinal disorders. The Company's development strategy is to acquire late-stage drug candidates with short time lines to commercialization. The Company's first product, Visicol[®] is the only tablet purgative preparation indicated for bowel cleansing prior to colonoscopy. InKine's second product, IB-Stat[®], is a novel oral hyoscyamine spray for the treatment of a variety of indications. Additionally, the Company has other development programs such as Colirest[™], which is in clinical trials for the treatment of Crohn's

disease and completed Phase II trials for the treatment of ulcerative colitis. For further information, please visit InKine on its web site <http://www.inkine.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 and other factors that are discussed in the Management Discussion and Analysis published in the Company's annual report.

For more information, please contact:

Samira Sakhia
Chief Financial Officer

Paladin Labs Inc.

Tel: (514) 340-5067

email: info@paladin-labs.com

Website: www.paladinlabs.com

Bruce Wigle
Investor Relations

The Equicom Group Inc.

Tel: (416) 815-0700 ext. 228

email: bwigle@equicomgroup.com

Robert F. Apple,
Chief Operating & Financial Officer,
InKine, 215-283-6850

Donald C. Weinberger,
Wolfe Axelrod Weinberger Assoc. LLC,
212-370-4500, 212-370-4505 fax
don@wolfeaxelrod.com