



NEWS RELEASE

PALADIN AND PANGEO PHARMA SIGN DISTRIBUTION AGREEMENT FOR A PORTFOLIO OF PRODUCTS

Montreal, Canada, November 6, 2003 – Paladin Labs Inc. (TSX: PLB), a leading Canadian specialty pharmaceutical company, today announced that it has entered into a distribution agreement with PanGeo Pharma Inc. (TSX: PIL) for a portfolio of prescription drug products consisting of Sandomigran[®], Sintron[®], and Zaditen[®]. According to IMS Canada, these products had combined Canadian sales of approximately \$2 million in 2002. This agreement is effective November 5, 2003. Terms of the agreement were not disclosed.

“These products have strong physician loyalty in Canada and this transaction stands to enhance next year’s financial results,” said Jonathan Ross Goodman, President and CEO of Paladin Labs.

Sandomigran[®], is indicated for prevention of vascular headaches, including migraines. Sintron[®], is indicated for prevention and treatment of venous thrombosis (blood clots), the treatment of atrial fibrillation with embolization (irregular heart rhythms with obstruction), prevention and treatment of pulmonary embolism (obstruction of the pulmonary artery) and as an adjunct in the treatment of coronary occlusion (blockage of the coronary artery) and transient ischemic attacks (a mild form of stroke). Zaditen[®], is indicated as an add-on medication in the chronic treatment of mild atopic asthmatic children. PanGeo Pharma acquired the rights to these three products from Novartis Pharmaceuticals Canada Inc., in November 2002.

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.

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.

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