



FOR RELEASE

**PALADIN RECEIVES REQUEST FOR ADDITIONAL INFORMATION ON  
STATEX<sup>®</sup> SR NEW DRUG SUBMISSION FROM HEALTH CANADA**

**Montreal, Canada, December 18, 2003** – Paladin Labs Inc. (TSX: PLB), a leading Canadian specialty pharmaceutical company, today announced that it has been advised by the Therapeutic Products Directorate (TPD) of Health Canada that its New Drug Submission (NDS) for Statex<sup>®</sup> SR (sustained-release morphine sulfate tablets) will not be approved at this time. Paladin has received a Notice of Non Compliance and will respond to Health Canada's issues within the prescribed 90 day window.

Statex<sup>®</sup> SR was developed by Amarin Corporation plc and Paladin acquired the license for Statex<sup>®</sup> SR from Drug Royalty Corporation Inc. Statex<sup>®</sup> SR is a twice-daily morphine product used in the palliation of various categories of pain.

**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](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 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](mailto:info@paladin-labs.com)

Website: [www.paladinlabs.com](http://www.paladinlabs.com)

Bruce Wigle  
Investor Relations

**The Equicom Group Inc.**

Tel: (416) 815-0700 ext. 228

Email: [bwigle@equicomgroup.com](mailto:bwigle@equicomgroup.com)