



NEWS RELEASE

PALADIN FILES NEW DRUG SUBMISSION FOR GLUCAGEN[®]

Montreal, Canada, July 21, 2004 – Paladin Labs Inc. (TSX: PLB), a leading Canadian specialty pharmaceutical company, today announced that it has filed on behalf of Novo Nordisk Canada Inc., a new drug submission for GlucaGen[®] (recombinant glucagon for injection) with the Biologics and Genetic Therapies Directorate (BGTD) of Health Canada. Paladin signed a distribution agreement for GlucaGen[®] with Novo Nordisk Canada Inc., a subsidiary of Novo Nordisk A/S (NYSE: NVO) in September 2002. GlucaGen[®] is indicated for the emergency management of hypoglycemia in diabetes patients being treated with insulin.

“GlucaGen[®] complements our growing endocrinology franchise. We are pleased to have partnered with Novo Nordisk on bringing this important medication to Canadians with diabetes,” said Jonathan Ross Goodman, President and CEO of Paladin Labs.

According to the Canadian Diabetes Association, between 35 and 65 percent of the estimated 200,000 patients with type I diabetes in Canada experience severe hypoglycemia each year, a condition that may result in prolonged loss of consciousness or even death. According to IMS Canada, in 2003 the annual market for glucagon was \$4.1 million, and grew by 28 percent versus the previous year.

About GlucaGen[®]

GlucaGen[®] is chemically identical to human glucagon, a naturally occurring peptide that selectively converts liver glycogen to glucose, relaxes smooth muscle, and increases the strength of cardiac contractions. Glucagon is indicated for emergency treatment of hypoglycemia in diabetes patients using insulin, and for relaxation of the gastrointestinal tract during routine radiology procedures. GlucaGen[®] rapidly restores blood glucose levels in the unconscious patient to allow them to regain consciousness and permit administration of other sources of glucose.

About Paladin Labs

Paladin Labs Inc., headquartered in Montreal, Canada, is a specialty pharmaceutical company focused on acquiring and 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 Company’s Web site at www.paladinlabs.com.

About Novo Nordisk Canada

Novo Nordisk Canada Inc., located in Mississauga, Ontario, is the Canadian affiliate of Novo Nordisk A/S. Novo Nordisk (NYSE: NVO) is a focused healthcare company and world leader in diabetes care. In addition, Novo Nordisk has a leading position within areas such as coagulation disorders, growth disorders and hormone replacement therapy. Novo Nordisk manufactures and markets pharmaceutical products and services that make a significant difference to patients, the medical profession and society. With headquarters in Denmark, Novo Nordisk employs approximately 18,800 people in 69 countries and markets its products in 179 countries. For further company information, visit www.novonordisk.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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