



NEWS RELEASE

**PALADIN SIGNS MARKETING AGREEMENT WITH
DURAMED PHARMACEUTICALS FOR TWO
WOMEN'S HEALTH PRODUCTS**

Montreal, Canada, September 30, 2004 – Paladin Labs Inc. (TSX: PLB), a leading Canadian specialty pharmaceutical company, today announced that it has entered into an exclusive Canadian marketing and promotion agreement with Duramed Pharmaceuticals, Inc., a wholly-owned subsidiary of Barr Pharmaceuticals, Inc. (NYSE: BRL), for Loestrin[®] (norethindrone acetate 1.5mg/ ethinyl estradiol 0.03mg) and Minestrin[®] (norethindrone acetate 1mg/ ethinyl estradiol 0.02mg), two oral contraceptive pharmaceutical products that are currently available in Canada. Under the terms of the agreement, Paladin will assume responsibility for all marketing and promotion in Canada in exchange for a service fee. Duramed will continue to maintain control of manufacturing, distribution and logistical support.

“We are delighted that Duramed selected Paladin to market and promote these brands in Canada. Both Loestrin[®] and Minestrin[®] complement our existing women’s health product portfolio and enable us to leverage our existing sales and marketing resources in this area,” said Jonathan Ross Goodman President and CEO of Paladin Labs.

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 Duramed Pharmaceuticals

Barr Pharmaceuticals, Inc. (NYSE: BRL), a holding company that operates through its principal subsidiaries, Barr Laboratories, Inc. and Duramed Pharmaceuticals Inc., is engaged in the development, manufacture and marketing of generic and proprietary pharmaceuticals. For more information, visit www.barrlabs.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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