



## NEWS RELEASE

### **PALADIN ANNOUNCES CANADIAN LAUNCH OF OXYTROL®**

**Montreal, Canada, October 18, 2004** – Paladin Labs Inc. (TSX: PLB), a leading Canadian specialty pharmaceutical company, today announced the Canadian launch of OXYTROL® (oxybutynin transdermal system), a unique patch medication indicated for the treatment of overactive bladder (OAB), with symptoms of urge urinary incontinence, urgency, and frequency. OXYTROL® is now available by prescription through pharmacies across Canada.

OXYTROL® utilizes a matrix transdermal technology designed for consistent, continuous delivery in order to provide steady-state plasma concentrations of oxybutynin. By bypassing initial metabolism in the liver and the gastrointestinal tract that occurs with oral medications, OXYTROL® provides relief of overactive bladder symptoms for up to four days with anticholinergic side effects comparable to placebo.

"As the number of Canadians suffering from overactive bladder continues to grow, physicians are increasingly faced with the challenge of providing successful treatment," said Dr. Sender Herschorn, Chairman of Urology, University of Toronto. "The transdermal oxybutynin delivery system is distinctive among the medications available for treating OAB. It has been shown to be effective for OAB symptoms, while maintaining an anticholinergic side effect profile comparable to placebo."

According to The Canadian Continence Foundation (TCCF), approximately three million Canadians suffer from an overactive bladder and, according to IMS Canada, the total Canadian prescription market for an overactive bladder exceeded \$46 million in 2003.

"Urinary incontinence and overactive bladder can have a profound negative impact on people's quality of life and overall feelings of health and wellness," says Ruth Pelletier, Executive Director, TCCF. "It is important that new medications such as OXYTROL® are developed giving sufferers options to deal with their condition."

"We are very excited to bring this unique new product into the Canadian marketplace," said Jonathan Ross Goodman, President and CEO, Paladin Labs. "OXYTROL® offers patients an effective alternative to existing anticholinergic medications."

OXYTROL® was developed by Watson Pharmaceuticals, Inc. and launched by Watson in April 2003. Paladin entered into a licensing agreement with Watson Pharmaceuticals to market OXYTROL® in Canada in January 2004.

#### **About Paladin Labs**

Paladin Labs Inc., headquartered in Montreal, Canada, is a 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 Company's 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.*

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