



## Press Announcement

FOR IMMEDIATE RELEASE

### **PALADIN SIGNS CANADIAN MARKETING AND DISTRIBUTION AGREEMENT FOR MUSE**

**Montreal, Canada, November 19, 2000** – Paladin Labs Inc. (TSE:PLB) today announced the completion of a marketing and distribution agreement with VIVUS, Inc. (NASDAQ: VVUS) granting Paladin the exclusive Canadian rights for MUSE<sup>®</sup> (alprostadil).

MUSE<sup>®</sup> which is approved for sale in Canada, is a non-injectable, local delivery system for treating erectile dysfunction consisting of a micro suppository of alprostadil for delivery to the male urethra. MUSE<sup>®</sup> was launched in Canada in 1998 by Janssen-Ortho and is currently being sold by Vivus in the U.S. and by Abbott Laboratories in Europe and other selected countries.

The terms of the agreement include a sharing of Paladin's net product revenues with Vivus and the payment of performance milestones.

Jonathan Goodman, President & CEO of Paladin, stated "we are pleased to add MUSE<sup>®</sup> to our growing portfolio of urology products. Based upon MUSE<sup>®</sup>'s proven efficacy, rapid onset and demonstrated long term safety, MUSE<sup>®</sup> is well positioned as the solution of choice for patients who fail or are contraindicated from oral therapy for erectile dysfunction. We intend to re-launch MUSE<sup>®</sup> during the 1<sup>st</sup> Quarter of 2000."

Terry Nida, Vice President of Worldwide Marketing & Corporate Development, stated "We were attracted to Paladin based on their strength with Canadian urologists and their ability to move quickly into the market. MUSE<sup>®</sup> continues to perform well in markets where it is supported by companies with an established urology franchise. We look forward to working closely with Paladin on the Canadian re-launch of MUSE<sup>®</sup>."

#### **About Paladin Labs Inc.**

Paladin Labs, headquartered in Montreal, Quebec is a Canadian developer, marketer and distributor of innovative pharmaceuticals currently offering products in urology, dermatology, rheumatology and other specialty markets. For more information about Paladin, please visit the Paladin Web Site at [www.paladin-labs.com](http://www.paladin-labs.com) or send e-mail to [info@paladin-labs.com](mailto:info@paladin-labs.com).

Paladin Labs Inc. is a public company whose shares trade on the Toronto Stock Exchange under the symbol *PLB*.

*The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. 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.*

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