



## Press Announcement

FOR IMMEDIATE RELEASE

### **PALADIN ACQUIRES CANADIAN RIGHTS TO TAPAZOLE<sup>®</sup> FROM LILLY**

**Montreal, Canada, December 21, 2000** – Paladin Labs Inc. (TSE:PLB) today announced the acquisition of the Canadian rights to Tapazole<sup>®</sup> (methimazole), a leading anti-thyroid drug, from Eli Lilly and Company (NYSE:LLY). Terms of the acquisition were not disclosed.

“We are extremely pleased to complete this transaction with Lilly. For Paladin, the acquisition of a proven product will result in an immediate contribution to our bottom line and will further strengthen our portfolio of hormone related products,” said David MacNaughtan, Vice-President, Business Development at Paladin Labs Inc.

Tapazole<sup>®</sup> inhibits the synthesis of thyroid hormones and is used in Canada to treat hyperthyroidism. Tapazole<sup>®</sup> sales are well established in Canada, reaching approximately C\$1.2 million during the past twelve-month period. According to IMS Canada, Tapazole<sup>®</sup> sales have a three year compounded annual growth rate in excess of 14%.

#### **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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