



For Immediate Release

Press Announcement

PALADIN SIGNS MARKETING AND DISTRIBUTION AGREEMENT FOR FIORINAL®

Montreal, Canada, March 2, 2001 – Paladin Labs Inc. (TSE:PLB) today announced that it signed an agreement with Novartis Pharmaceuticals Canada Inc. for the exclusive Canadian marketing and distribution rights to Fiorinal® and Fiorinal-C®. The terms of the agreement were not disclosed. Under the Agreement, Paladin shall be responsible for marketing Fiorinal® and Fiorinal-C® in Canada and Pharmascience Inc. shall be responsible for distribution.

Fiorinal® was launched in 1971 and is prescribed frequently by physicians for the treatment of migraines and tension headaches.

“This agreement is consistent with one of Paladin’s strategic objectives of licensing non-promoted brands from multinational pharmaceutical companies,” said Jonathan Goodman, President & CEO of Paladin Labs Inc.

About Paladin Labs Inc.

Paladin Labs, headquartered in Montreal, Quebec, is a Canadian developer, marketer and distributor of innovative pharmaceuticals. For more information about Paladin, please visit the Paladin Web Site at www.paladin-labs.com or send an e-mail to 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.

For further information please contact:

Paladin Labs Inc

Jonathan Goodman, President & CEO
Tel: 514-340-5072
e-mail: jgoodman@paladin-labs.com
Web Site: www.paladin-labs.com

The Equicom Group Inc.

Mike Polonsky
Account Manager
Tel: 416-815-0700 ext.231
e-mail: mpolonsky@equicomgroup.com