



PRESS RELEASE

DEBIOPHARM ANNOUNCES MARKETING AND SUPPLY AGREEMENT FOR TRELSTAR® IN CANADA

Lausanne, Switzerland, May 11, 2005 – Debiopharm S.A., the independent drug-development company specialising in oncology, endocrinology and niche products, is pleased to acknowledge a new marketing and supply agreement between Paladin Labs Inc. (Paladin) (TSX: PLB), a leading Canadian specialty pharmaceutical company and Watson Pharma, Inc., a subsidiary of Watson Pharmaceuticals, Inc. (Watson) to market Trelstar® 3.75 mg and Trelstar® LA 11.25 mg (triptorelin pamoate for injectable suspension) in Canada. Debiopharm developed both products and was responsible for submitting the registration file to the US Food and Drug Administration (FDA) and to Health Canada, the Canadian health authorities. Trelstar® 3.75 mg and Trelstar® LA 11.25 mg are respectively one and three-month sustained release, injectable formulations of luteinizing hormone-releasing hormone (LHRH) agonists and have been approved by Health Canada for the palliative treatment of advanced prostate cancer. Trelstar® 3.75 mg is also approved for the treatment of endometriosis.

About Trelstar®

Trelstar® 3.75mg and Trelstar® LA 11.25mg, were formulated at Debio R.P., Debio's FDA-inspected production site in Martigny, Switzerland, using the Debio® PLGA proprietary technology. Debio R.P. supplies both formulations of Trelstar® to the US and Canada. In April 2005, Watson launched Trelstar® Depot and Trelstar® LA in the US. Paladin expects to launch both products in Canada in the fourth quarter of 2005. In the second quarter of 2005, Rowfarma, Debiopharm's licensee for Mexico, will launch Decapeptyl® (another tradename of Trelstar) in Mexico. In Europe, triptorelin has been successfully marketed by Ipsen as Decapeptyl® for 20 years.

Prostate cancer and endometriosis in Canada

Prostate cancer is the most common cancer among Canadian men. In 2005, an estimated 20,500 men will be diagnosed with prostate cancer and 4,300 will die of it. One in seven men will develop prostate cancer during his lifetime, mostly after age 70. One in 26 will die of it.

It is estimated that endometriosis affects between 10 and 15 percent of all women of reproductive age. It occurs when tissue similar to the tissue that lines the uterus

(endometrium) grows in other areas of a woman's body. Endometriosis is seldom life threatening, but it can cause severe pain and infertility.

About Debiopharm

Debio is an established group of five complementary companies, Debiopharm, Debioinnovation, Debio R.P., Debioclinic and H3 Pharma. Debiopharm, founded in 1979 in Lausanne, Switzerland, focuses on evaluating compounds with promising *in-vivo* results in animals to in-license, develop for global registration, and out-license to sales and marketing pharmaceutical partners. Debiopharm has proven expertise in drug development, having registered three products: Eloxatin[®], one of sanofi-aventis' leading marketed products, Decapeptyl[®], the leading product of Ipsen, and Trelstar[®] (1-and 3-month) a registered trademark of Watson Pharmaceuticals, Inc. Together, their combined sales were in excess of \$ 1.8 bn in 2004. Debioinnovation was set up to complement the core business objectives of Debiopharm through addressing the financing and partnering needs of biotechnology, pharmaceutical start-up companies and life science incubators. Debio R.P. is a leader in polymer-based controlled release technologies that allow certain drugs like proteins, peptides and anti-cancers to be delivered in customized, sustained-release formulation. From its FDA-inspected manufacturing facility in Martigny, Switzerland, Debio R.P. also conducts feasibility studies, formulation selection, optimization, scale-up and cGMP manufacturing from clinical trial supplies to commercial scale. Debioclinic, based in Paris, is a contract research organization, specialized in oncology and dedicated to clinical development, providing regulatory, biometric and clinical support in line with cGCP. Montreal-based H3 Pharma is a pharmaceutical product development company, focusing on oncology and endocrinology.

For more information on Debiopharm, please visit our website at www.debio.com

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