



NEWS RELEASE

PALADIN ANNOUNCES NORMAL COURSE ISSUER BID

MONTREAL, CANADA, (February 28, 2008) – Paladin Labs Inc. (TSX : PLB), a leading Canadian specialty pharmaceutical company, today announced that it has received regulatory approval from the Toronto Stock Exchange (the "TSX") to carry out a normal course issuer bid. Paladin has been authorized to purchase up to 786,000 of its common shares, or approximately 10% of its public float of 7,867,694 common shares as at February 15, 2008, in the twelve-month period following the bid's effective date. The average daily trading volume for the 6-month period preceding February 1, 2008 is 9,314 shares. In accordance with the TSX requirements, a maximum daily repurchase of 25% of this average may be made, representing 2,328 common shares. As at February 15, 2008, Paladin had 14,802,776 common shares issued and outstanding.

The number of shares purchased during 2007 pursuant to the normal course issuer bid was 470,900 at an average price per common share of \$10.30.

Purchases under the bid, to be made through the facilities of the TSX only in accordance with the TSX's requirements, may commence on March 3, 2008 and will terminate on March 2, 2009, or on such earlier date as Paladin may complete its purchases pursuant to the notice of intention to make a normal course issuer bid filed with the TSX. For any particular trade, the Corporation will not purchase common shares at a price higher than the price of the immediately preceding trade on the open market by independent parties. The common shares that the Corporation intends to acquire pursuant to the bid will be cancelled.

The Board of Directors of Paladin has concluded that the market price of Paladin's common shares, from time to time, may not reflect the inherent value of the Corporation and purchases of common shares pursuant to the bid may represent an appropriate and desirable use of the Corporation's funds.

About Paladin Labs Inc.

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. For more information, please visit the Company's web site at www.paladinlabs.com

These forward-looking statements, by their nature, necessarily involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. The Companies consider the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but caution that these assumptions regarding the future events, many of which are beyond the control of the Companies and their subsidiaries, may ultimately prove to be incorrect. Factors and risks, which could cause actual results to differ materially from current expectations, are discussed in the annual reports, as well as in the Companies' Annual Information Forms for the year ended December 31, 2006. The Companies disclaim any intention or obligation to update or revise any forward-looking statements whether a result of new information, future events, or except as required by law. For additional information on risks and uncertainties relating to these forward-looking

statements, investors should consult the Companies' ongoing quarterly filings, annual reports and Annual Information Forms and other filings found on SEDAR at www.sedar.com.

FOR FURTHER INFORMATION PLEASE CONTACT:

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