



FOR IMMEDIATE RELEASE

## **Paladin Labs and GlaxoSmithKline Inc. Sign Agreement on Dexedrine<sup>®</sup> and Mark Start of a New Strategic Relationship**

**Montreal, Canada, November 28, 2008** — Paladin Labs Inc. (TSX: PLB), a leading Canadian specialty pharmaceutical company, today announced it is signing an agreement with GlaxoSmithKline Inc. (GSK) and Glaxo Group Limited that appoints Paladin Labs Inc. as the exclusive distributor of Dexedrine<sup>®</sup> (dextroamphetamine sulfate) within Canada for a period of three years, with an option for Paladin to purchase all remaining rights to the product in Canada at the end of that period. GSK will be providing certain distribution support services for an interim period. The agreement also marks the start of a strategic relationship with GSK whereby Paladin Labs Inc. will have the first right to partner with GSK on a number of products that GSK may choose to license or divest in Canada. Financial terms of the transaction were not disclosed.

Dexedrine<sup>®</sup> is indicated for the treatment of attention deficit hyperactivity disorder (ADHD) and in the adjunctive treatment of narcolepsy. According to IMS Canada, the ADHD market in Canada was valued at about \$120 million in 2007 and Dexedrine<sup>®</sup> recorded sales of over \$14 million in the same year, representing a market share of 12% and making it the third largest product in this category.

“This agreement will allow us to add to our portfolio of specialty pharmaceutical products and to build significant critical mass for our organization. Not only will we be adding close to \$14 million to our top line next year, but just as importantly, we are establishing a strategic relationship with GSK for potential future transactions like this one,” said Jonathan Ross Goodman, President and CEO of Paladin Labs Inc. “We are very pleased to establish this preferred partner relationship with Paladin owing to their clear history of success in commercializing products like Dexedrine<sup>®</sup> and their record of building win-win relationships with partners,” said Paul Lucas, President and CEO of GSK. “Dexedrine<sup>®</sup> has a long history of efficacy and safety in improving the lives of Canadians suffering from ADHD and narcolepsy. In the very capable hands of Paladin, we are confident that it will continue to meet the needs of Canadian patients and their healthcare providers.”

### **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](http://www.paladinlabs.com).

## **About GlaxoSmithKline Inc.**

GlaxoSmithKline – one of the world’s leading research-based pharmaceutical and health-care companies – is committed to improving the quality of human life by enabling people to do more, feel better and live longer. GSK is Canada’s largest biopharmaceutical employer, and has been consistently recognized as one of the 50 Best Employers in Canada. GSK is an Imagine Caring Company and is among the top 15 investors in Canadian research and development, investing more than \$178 million in 2007 alone. For company information, please visit [www.gsk.ca](http://www.gsk.ca).

## **Forward-Looking Statements**

This news release may contain forward-looking statements and predictions. 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. Paladin Labs Inc. (the “Company”) considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but cautions that these assumptions regarding the future events, many of which are beyond the control of the Company and its 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 report as well as in the Company’s Annual Information Form for the year ended December 31, 2007. The Company disclaims 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 Company’s ongoing quarterly filings, annual report and Annual Information Form and other filings found on SEDAR at [www.sedar.com](http://www.sedar.com)

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