



NEWS RELEASE

PALADIN ANNOUNCES NORMAL COURSE ISSUER BID AND AUTOMATIC SHARE PURCHASE PLAN

MONTREAL, CANADA, (March 1, 2010) – 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 1,102,000 of its common shares, or approximately 10% of its public float of 11,020,019 common shares as at February 24, 2010, in the twelve-month period following the bid's effective date. The average daily trading volume for the 6-month period preceding February 1, 2010 is 20,555 common shares. In accordance with TSX rules, a maximum daily repurchase of 25% of this average may be made, representing 5,138 common shares. As at February 24, 2010, Paladin had 18,595,205 common shares issued and outstanding.

The number of common shares purchased during 2009 pursuant to the normal course issuer bid was 4,500 at a weighted average price per common share of \$16.00.

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, 2010 and will terminate on March 2, 2011, 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.

Paladin also announced that it has renewed an automatic share purchase plan with a broker in order to facilitate repurchases of its common shares under its normal course issuer bid. Under Paladin's automatic share purchase plan, Paladin's broker may repurchase common shares under the normal course issuer bid at any time including, without limitation, when Paladin would ordinarily not be permitted to due to regulatory restrictions or self-imposed blackout periods. Purchases will be made by Paladin's broker based upon the parameters prescribed by the TSX and applicable Canadian securities laws and the terms of the parties' written agreement. The automatic share purchase plan has been reviewed by the TSX. The automatic share purchase plan will be renewed effective as of March 3, 2010.

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 and world markets. With this strategy, a focused national sales team and proven marketing expertise, Paladin has evolved into one of Canada's leading specialty pharmaceutical companies. Paladin's shares trade on the Toronto Stock Exchange under the symbol PLB. For more information about Paladin, please visit the Company's web site at www.paladinlabs.com.

This press 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. 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, 2008. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information or future events and 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.

FOR FURTHER INFORMATION PLEASE CONTACT:

Paladin Labs Inc.
Samira Sakhia, Chief Financial Officer
Tel: 514-669-5367
Fax: 514-344-4675
Email: info@paladinlabs.com
Website: www.paladinlabs.com