
For immediate release

ConjuChem Announces Fiscal 2008 First Quarter Financial Results

MONTREAL, Canada, March 13, 2008 – ConjuChem Biotechnologies (TSX:CJB) today announced financial results for the first quarter of fiscal 2008, ended January 31, 2008.

Net loss for the quarter ended January 31, 2008 amounted to \$11.8 million, or (\$0.05) per share, compared to \$18.6 million, or (\$0.10) per share, for the quarter ended January 31, 2007. The decrease in the net loss is mainly attributable to a decrease in net Research and Development expenses. Cash flows applied to operating activities in the three-month period ended January 31, 2008 amounted to \$6.3 million compared to \$12.7 million for the quarter ended January 31, 2007.

The Company recorded interest income on cash, short and long-term investments that amounted to \$0.6 million for the quarter ended January 31, 2008, compared to \$0.9 million for the quarter ended January 31, 2007. The decrease in interest income was a result of a reduction of the Company's investment portfolio base.

Gross research and development expenses amounted to \$3.7 million for the quarter ended January 31, 2008 compared to \$15.9 million for the quarter ended January 31, 2007. The decrease this quarter is largely attributable to the purchase of drug substance for the clinical advancement of PC-DAC[™]:Exendin-4, which occurred in the first quarter of 2007.

General and administrative costs amounted to \$1.6 million for the quarter ended January 31, 2008 compared to \$0.8 million for the quarter ended January 31, 2007. The increase in general and administrative expenses is attributable to financial charges and fees related to the early redemption of the convertible senior unsecured notes and to an increase in additional headcount compensation and benefits.

During the quarter, the Company repaid the convertible senior unsecured notes amounting to \$45,000,000 plus accrued interest of \$13,006,914 for a total amount of \$58,006,914 and closed a public offering of 22,000 convertible unsecured subordinated debenture units of the Company at a price of \$1,000 per Unit, for gross proceeds of \$22,000,000 and net proceeds of approximately \$20,000,000.

As at January 31, 2008, the Company had cash and cash equivalents and short-term investments totalling \$41.5 million compared to \$26.0 million at October 31, 2007. As at January 31, 2008, working capital amounted to \$35.9 million. ConjuChem believes that its current cash and cash equivalents, available-for-sale marketable securities and interest income will be sufficient to carry out current research and development plans and operations through the first quarter of 2009.

Notice of AGM

ConjuChem will hold its Annual General Meeting of Shareholders at 4:15 on Tuesday, March 18, 2008 at the Loews Vogue Hotel, 1425, de la Montagne Street, Montreal, Quebec, H3G 1Z3

About ConjuChem Biotechnologies

ConjuChem Biotechnologies, developer of next generation medicines from therapeutic peptides, is creating long-acting compounds based on bioconjugation platform technologies. When applied to peptides, the Company's systemic DAC[™] and PC-DAC[™] Technologies enable the creation of new drugs with significantly enhanced therapeutic properties as compared to the original peptide. Detailed descriptions of the Company can be viewed on the Company's website www.conjuchem.com.

Forward-Looking Statements

Some of the statements made herein may constitute forward-looking statements. These statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause ConjuChem Biotechnologies' actual results, performance or achievements to be materially different from those expressed or implied by any of the Company's statements. Actual events or results may differ materially. We disclaim any intention, and assume no obligation, to update these forward-looking statements unless requested to do so by securities regulators.

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ConjuChem Biotechnologies Inc.

BALANCE SHEETS
[unaudited]

As at

	January 31, 2008	October 31, 2007
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	14,107,401	1,235,704
Available-for-sale short-term investments	27,416,831	24,797,545
Accounts receivable and other assets	340,768	103,277
Investment tax credits receivable	945,000	1,169,000
Prepaid expenses	104,330	208,945
Total current assets	42,914,330	27,514,471
Held-to-maturity long-term investments	—	59,736,098
Property, plant and equipment	1,003,798	1,049,147
Intangible assets	17,955	19,257
	43,936,083	88,318,973
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	7,012,973	8,576,258
Unearned revenues	22,071	35,314
Total current liabilities	7,035,044	8,611,572
Convertible senior unsecured notes	—	52,502,487
Convertible unsecured subordinated debentures	12,985,807	—
	20,020,851	61,114,059
Shareholders' equity		
Capital stock	265,332,302	265,332,302
Warrants	14,093,394	11,885,875
Equity portion of convertible senior unsecured notes	—	14,966,780
Equity portion of convertible unsecured subordinated debentures	5,610,777	—
Contributed surplus	43,690,648	28,008,989
Deficit	(304,814,216)	(292,973,699)
Accumulated other comprehensive income (loss)	2,327	(15,333)
Total shareholders' equity	23,915,232	27,204,914
	43,936,083	88,318,973

ConjuChem Biotechnologies Inc.

STATEMENTS OF DEFICIT
[unaudited]

Three months ended January 31,

	2008	2007
	\$	\$
Deficit, beginning of period	(292,973,699)	(247,082,959)
Net loss for the period	(11,840,517)	(18,629,963)
Deficit, end of period	(304,814,216)	(265,712,922)

ConjuChem Biotechnologies Inc.**STATEMENTS OF OPERATIONS AND
COMPREHENSIVE LOSS**
[unaudited]

Three months ended January 31,

	2008	2007
	\$	\$
REVENUES		
Contract revenues	27,347	—
Interest income	572,655	862,330
	<u>600,002</u>	<u>862,330</u>
EXPENSES		
Research and development	3,657,857	15,901,773
Investment tax credits	(100,000)	(150,000)
Net research and development expenses	<u>3,557,857</u>	15,751,773
General and administrative expenses	1,586,641	825,448
Amortization of property, plant and equipment	55,121	62,666
Amortization of intangible assets	2,481	4,305
Non-cash stock-based compensation	714,879	830,567
Financial charges	4,206	4,677
Foreign exchange loss	178,951	307,335
Accretion in carrying value of convertible senior unsecured notes and interest	5,504,427	1,705,522
Accretion in carrying value of convertible unsecured subordinated debentures and interest	568,517	—
Loss on redemption of held-to-maturity long-term investments	267,439	—
	<u>12,440,519</u>	19,492,293
Net loss	<u>(11,840,517)</u>	<u>(18,629,963)</u>
OTHER COMPREHENSIVE INCOME		
Unrealized gain (loss) on available-for-sale short-term investments	2,327	(10,794)
Comprehensive loss	<u>(11,838,190)</u>	<u>(18,640,757)</u>
Basic and diluted loss per share	<u>(0.05)</u>	<u>(0.10)</u>
Weighted average number of common shares outstanding during the period	<u>240,213,668</u>	<u>183,902,987</u>

ConjuChem Biotechnologies Inc.

STATEMENTS OF CASH FLOWS

[unaudited]

Three months ended January 31,

	2008	2007
	\$	\$
OPERATING ACTIVITIES		
Net loss	(11,840,517)	(18,629,963)
Items not affecting cash:		
Amortization of property, plant and equipment	55,121	62,666
Amortization of intangible assets	2,481	4,305
Amortization of premium on held-to-maturity long-term investments	(8,436)	(15,187)
Non-cash stock-based compensation	714,879	830,567
Accretion in carrying value of convertible senior unsecured notes and interest	5,504,427	1,696,800
Accretion in carrying value of convertible unsecured subordinated debentures and interest	568,517	—
Loss on redemption of held-to-maturity long-term investments	267,439	—
	(4,736,089)	(16,050,812)
Net changes in non-cash working capital balances relating to operations	(1,576,156)	3,324,373
Cash flows relating to operating activities	(6,312,245)	(12,726,439)
INVESTING ACTIVITIES		
Acquisition of available-for-sale short-term investments	(12,910,701)	(36,990,935)
Proceeds on maturities of available-for-sale short-term investments	10,399,827	11,664,301
Acquisition of held-to-maturity long-term investments	(167,037)	(57,219,039)
Proceeds on redemption of held-to-maturity long-term investments	59,644,132	—
Acquisition of property, plant and equipment	(9,772)	(65,259)
Acquisition of intangible assets	(1,179)	(2,751)
Cash flows relating to investing activities	56,955,270	(82,613,683)
FINANCING ACTIVITIES		
Repayment of convertible senior unsecured notes	(58,006,914)	—
Issuance of convertible unsecured subordinated debentures	22,000,000	—
Issuance costs paid in cash	(1,764,414)	—
Issuance of common shares for cash	—	120,250,000
Share issue costs paid in cash	—	(6,648,616)
Cash flows relating to financing activities	(37,771,328)	113,601,384
Net increase in cash and cash equivalents during the period	12,871,697	18,261,262
Cash and cash equivalents, beginning of period	1,235,704	4,034,937
Cash and cash equivalents, end of period	14,107,401	22,296,199
Supplemental cash flow information:		
Interest paid	13,006,914	1,273