

For immediate release

CONJUCHEM PROVIDES FINDINGS OF DACTM:GRF HIV LIPODYSTROPHY TRIAL INVESTIGATION

MONTREAL, August 8, 2006 – ConjuChem Biotechnologies Inc. (TSX:CJB) provided findings of its investigation into the death of a patient that occurred in its Phase II clinical trial of DACTM:GRF in HIV Lipodystrophy. The Company had previously reported on July 14 that a death occurred of a patient in the trial at a clinical site in Argentina. The trial was an international multi-center, randomized, placebo-controlled, double-blind study which had completed enrollment with 192 patients. Patients were to be administered once-weekly dosing of DACTM:GRF for 12 weeks followed by a 6-week follow-up. The deceased patient received the 11th weekly dose on July 13 and approximately two hours later, the patient complained of chest discomfort and an ECG confirmed an acute myocardial infarction; death occurred approximately one hour later.

There is no evidence of any cardiotoxic effects of DACTM:GRF in previous preclinical or clinical studies. The attending physician stated that his most likely explanation for the event was the patient had asymptomatic coronary artery disease with plaque rupture and occlusion.

ConjuChem indicated it has terminated the Phase II study and is further evaluating the clinical development strategy of DACTM:GRF.

About GRF and DACTM:GRF

Growth hormone (GH) is essential to linear growth in children and to the metabolic regulation of carbohydrates, lipids, proteins and minerals. GH is secreted in response to growth hormone releasing hormone (GHRH), also known as growth hormone releasing factor (GRF). GRF has been shown to produce a natural pulsatile release of GH in humans.

Although it produces a natural pulsatile release of GH, GRF's short-half life necessitates multiple daily injections rendering it impractical for clinical use and commercialization. DACTM:GRF is a chemically modified form of GRF that, once injected in the body, covalently bonds to albumin, the dominant protein in blood, thus dramatically prolonging the half-life of GRF from minutes to days.

About ConjuChem Biotechnologies

ConjuChem Biotechnologies Inc., 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 DACTM Technologies enable the creation of new drugs with significantly enhanced therapeutic properties as compared to the original peptide. The Company is developing compounds to treat various disorders including diabetes, human growth deficiencies and HIV/AIDS.

Forward-Looking Statements

Some of the statements made herein 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's 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.

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