

For immediate release

CONJUCHEM ANNOUNCES CLINICAL HOLD OF ITS DAC™:GRF PROGRAM IN HIV LIPODYSTROPHY

MONTREAL, July 14, 2006 – ConjuChem Biotechnologies Inc. (TSX:CJB) announced today that, until further investigation, it has put on clinical hold its DAC™:GRF program in HIV lipodystrophy and is discontinuing further dosing in its Phase II trial of DAC™:GRF in HIV lipodystrophy due to a death of a patient involved in the trial. The cause of death and the relationship of the study drug to the event, which occurred at a clinical site in Argentina, is currently under investigation.

About GRF and DAC™: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 more natural pulsatile release of GH in humans.

Although it produces the more natural pulsatile release of GH, GRF's short-half life necessitates multiple daily injections rendering it impractical for clinical use and commercialization. DAC™: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. DAC™:GRF is currently being studied in a Phase II trial of HIV associated Lipodystrophy.

About ConjuChem

ConjuChem Biotechnologies, developers 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. The Company is developing compounds to treat various disorders including diabetes, human growth deficiencies, HIV/AIDS, and congestive heart failure.

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'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.

For more information, please contact:

Lennie Ryer, CA
Vice President, Finance & CFO
ConjuChem Biotechnologies Inc.
514-844-5558 ext 224
ryer@conjuchem.com

Michael Polonsky
Investor Relations
416-815-0700 ext. 231
416-815-0080
mpolonsky@equicomgroup.com