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For immediate release

**ConjuChem Reports Final Results of PC-DAC™: Exendin-4 Phase I/II
Multiple-Dose Study for Type 2 Diabetes Confirming Safety
and Efficacy at Once-Weekly Dosing**

- Additional Analyses Confirm Significant Glucose Reductions -

MONTREAL, Canada, October 17, 2007 – ConjuChem Biotechnologies Inc. (TSX:CJB) today announced that final data from its Phase I/II multiple-dose clinical study for the treatment of Type 2 diabetes using the Company's proprietary PC-DAC™:Exendin-4 compound confirmed the preliminary data reported on March 27, 2007. Final results demonstrated that the compound was well tolerated and effective in lowering blood glucose when administered once-weekly at each of the dosing levels tested.

The Phase I/II trial, a randomized, double-blind, multiple-dose study, evaluated safety and tolerability of PC-DAC™:Exendin-4 in patients with stable Type 2 diabetes. Pharmacokinetic and pharmacodynamic parameters were also evaluated. All patients were on stable doses of Metformin with HbA1c levels between 7.0% and 10.6%. The trial enrolled 70 patients at seven centers in the U.S. and Canada with patients randomized to one of four parallel treatment groups: 1 mg (n=18), 2 mg (n=17), 3 mg (n=17) or placebo (n=18). Sixty-nine patients received five doses over a one month period. The product is a highly soluble liquid formulation injected with a fine, 30 gauge needle.

Reductions in mean fasting plasma glucose (FPG) were statistically significant in all treatment groups versus baseline and placebo over the five-week treatment period (FPG was measured Days 1 and 7 post-dosing). The average reductions from baseline values for the 1 mg, 2 mg, and 3 mg treatment arms were -9% (baseline 154 mg/dL), -11% (baseline 172 mg/dL), and -7% (baseline 170 mg/dL), respectively, versus -1% (baseline 158 mg/dL) in the placebo group. The reductions were statistically significant versus baseline ($p < 0.005$ for all cohorts) and versus placebo ($p < 0.005$ for 1 mg and 2 mg cohorts, $p < 0.03$ for the 3 mg cohort).

HbA1c levels declined in all three treatment groups with median HbA1c decreasing 0.5%, 0.8%, and 0.6% in the 1 mg, 2 mg, and 3 mg groups at the end of the five-week dosing period (day 35). Decreases of 0.7%, 0.6%, and 0.7% were observed at day 49 and decreases of 0.7%, 0.8%, and 0.9% were observed at the end of the study period (day 63) versus baseline. HbA1c levels of the placebo group declined 0.35% at five weeks, 0.3% at day 49, and 0.2% at the end of the study period. The reduction for the pooled treatment groups was statistically significant versus placebo at day 49 and at the end of the study period ($p < 0.03$, ANCOVA).

Pharmacokinetic analysis showed dose proportionality and drug concentration approaching steady-state after five weeks with a terminal half-life of approximately one week.

The drug was generally well tolerated. The most common side effects during the 35-day treatment included headache occurring in 2 out of 18 placebo patients (11%) and 15 out of 52 treated patients (29%) and nausea which was reported in 3 out of 18 placebo patients (17%) and 11 out of 52 treated patients (21%). There were no cases of drug-related vomiting in either the 1 mg or 2 mg cohorts; vomiting occurred in five patients in the 3 mg cohort, none of which led to patient drop-out. GI tolerability to the drug generally improved over time consistent with the known development of GI tolerance of this drug class. There were no skin reactions in the 2 mg and 3 mg treatment groups; skin reactions were reported in four placebo patients and one patient in the 1 mg cohort. Generally low-level antibodies were detected in 11 out of 52 treated patients (21%). There were no drug-related serious adverse events during the study.

Further analysis of the 1 mg and 2 mg treatment cohorts showed significant decreases in mean daily plasma glucose (6 time points before and after meals on Days 1, 7, 14, 21, and 28) versus both baseline and placebo (p values ranging from 0.0001 to 0.002). Decreases in post-prandial glucose excursions were also noted in the 6-point plasma glucose profile.

Additionally, decreases in mean weekly blood glucose (based on daily paired glucometer readings) for the 1 mg and 2 mg cohorts were significant versus both baseline and placebo for all five weeks of the treatment period (p values ranging from 0.0001 to 0.02).

Next Steps

ConjuChem also reported that product development programs including manufacturing process improvements have been completed and will be included in all future development programs. ConjuChem is moving to a multi-dose Phase II study in which the product will be administered once-a-week for three months. Preparations are ongoing with initial dosing expected to commence in the first quarter.

About PC-DAC™:Exendin-4

PC-DAC™:Exendin-4 is a therapy being developed for Type II diabetes. Exendin-4, like Glucagon-like peptide-1 (GLP-1), is an insulinotropic peptide and an agonist for the GLP-1 receptor. Exendin-4 decreases glucagon and increases insulin secretion in a glucose-dependent manner. Exendin-4 may stimulate β -cell proliferation, restore β -cell sensitivity to glucose, delay gastric emptying, and increase peripheral sensitivity to glucose. The clinical utility of Exendin-4 is somewhat limited by its relatively short half-life in plasma. Developed with ConjuChem's proprietary PC-DAC™ technology, PC-DAC™:Exendin-4 is a modified Exendin-4 analogue that is covalently bound to recombinant human albumin (Recombunin[®], provided by Novozymes Delta Limited). Data from Phase I/II clinical studies have demonstrated that the preformed albumin-peptide conjugate has a much longer half-life than the peptide alone. The product is a highly soluble liquid formulation that is injectable in a small volume with a small gauge needle.

About ConjuChem Biotechnologies

ConjuChem, 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.



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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.

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