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**For immediate release**

**ConjuChem Initiates Phase II Study of PC-DAC<sup>™</sup>:Exendin-4**  
*- First of Two Phase II Studies -*

**MONTREAL, Canada, February 20, 2008** – ConjuChem Biotechnologies Inc. (TSX:CJB) today announced that dosing has been initiated in its Phase II clinical study for the treatment of Type 2 diabetes using the Company's proprietary PC-DAC<sup>™</sup>:Exendin-4 compound. The study is the first of two Phase II studies that the Company plans to conduct concurrently.

This Phase II trial, a randomized, double-blind, placebo-controlled, multiple dose study, will evaluate the efficacy and safety of three months of weekly injections of PC-DAC<sup>™</sup>:Exendin-4 in patients with Type 2 diabetes not adequately controlled by metformin monotherapy. The trial will enroll 90 patients with 30 patients randomized to one of three parallel treatment groups: a 1.5mg fixed weekly dose group; a group receiving a 1.5mg weekly dose titrating to 2mg at the 5th week; and a placebo group.

The dosing levels selected for the trial were a result of bridging studies conducted in 2007 by ConjuChem with a new manufacturing process. The manufacturing process improvements were successful in removing inactive peptide constructs resulting in a more potent drug product thereby requiring lower doses.

A second Phase II trial is also planned which will be a randomized, double-blind, placebo-controlled, multiple dose study, to evaluate the efficacy and safety of three months treatment with PC-DAC<sup>™</sup>:Exendin-4 in Type 2 diabetes patients not adequately controlled by metformin monotherapy. The trial will enroll 90 patients with 30 patients randomized to one of three parallel treatment groups: a 1.5mg fixed twice-weekly dose group; a group receiving 1.5mg twice-weekly titrating to a 2mg weekly dose at the 5th week; and a placebo group. This trial is designed to explore the efficacy and safety profile of twice-weekly titration and maintenance dosing and is expected to begin later in the first quarter.

**About PC-DAC<sup>™</sup>:Exendin-4**

PC-DAC<sup>™</sup>: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  $\beta$ -cell proliferation, restore  $\beta$ -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<sup>™</sup> technology, PC-DAC<sup>™</sup>:Exendin-4 is a modified Exendin-4 analogue that is covalently bound to recombinant human albumin (Recombumin<sup>®</sup>, provided by Novozymes Biopharma UK 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.



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**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 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](http://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

James Smith  
Investor Relations  
416-815-0700 ext. 229  
416-815-0080  
jsmith@equicomgroup.com