



ConjuChem Biotechnologies Inc.
225, President-Kennedy Avenue
Third Floor, Suite 3950
Montréal, Québec H2X 3Y8
Canada

For immediate release

PC-DAC™:Exendin-4 Phase I/II Multiple-Dose Study Preliminary Results Demonstrate Safety and Efficacy at Once-Weekly Dosing

- One Month Study in Seventy Type 2 Diabetes Patients -

MONTREAL, Canada, March 26, 2007 – ConjuChem Biotechnologies Inc. (TSX:CJB) today announced positive preliminary results 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. Results from the study demonstrated that PC-DAC™:Exendin-4 was generally well tolerated and, when administered once-weekly at each of the dosing levels tested, lowered blood glucose.

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 7 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 5 doses over a one month period. The product is a highly soluble liquid formulation injected with a 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 1mg and 2 mg cohorts, $p < 0.03$ for the 3 mg cohort).

HbA1c improved 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 period, decreasing 0.7%, 0.6%, and 0.7% at day 49, and decreasing 0.7%, 0.8%, and 0.9% at the end of the study period (day 63) versus baseline. 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).

There was no statistically significant effect on weight in the treatment cohorts versus baseline or placebo at the end of the 35-day treatment period.

The drug was generally well tolerated. The most common side effects during treatment included headache occurring in 3 out of 18 placebo patients (17%) 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 5 patients in the 3 mg cohort, none of which led to patient drop-out. There were no skin reactions in the

2 mg and 3mg treatment groups; skin reactions were reported in 4 placebo patients and 1 patient in the 1mg 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.

Commenting on these preliminary results, Thomas Ulich, M.D., ConjuChem's Executive Vice President of Research and Development, stated: "These encouraging results provide evidence that long-term once-weekly administration of PC-DACTM:Exendin-4 can be therapeutically useful for control of glycemia in patients with Type 2 diabetes. In particular, the study demonstrated that treatment with 2 mg of PC-DACTM:Exendin-4 was very well tolerated and effective in lowering blood glucose levels."

ConjuChem intends to submit the study results for presentation at a scientific meeting in 2007.

In conjunction with the multi-dose results, ConjuChem also reported that ongoing product development programs including manufacturing process improvements are expected to be completed in 2007 in time to be included in a Phase II study, which is planned for initiation by year-end.

About PC-DACTM:Exendin-4

Exendin-4 is a Glucagon-like peptide-1 (GLP-1) homolog 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-DACTM technology, PC-DACTM:Exendin-4 is a modified Exendin-4 analogue that is covalently bound to recombinant human albumin (**Recombunin**[®], provided by Novozymes Delta Limited). 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.

Conference Call

The Company will be hosting a conference call with management to discuss these results on Tuesday, March 27, 2007 at 8:30 a.m. EDT. The call will be audio-cast live and archived for 90 days at www.conjuchem.com. A taped replay of the call will be available by telephone on March 27, 2007 through Tuesday, April 3rd, 2007 at midnight. To access the replay, dial 416-640-1917 or 877-289-8525 and enter access code 21224642.

About ConjuChem

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 DACTM and PC-DACTM 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's actual results, performance or achievements to be materially different from those expressed or implied by any of the Company's statements. Actual events



- 3 -

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