

## **Kiadis and Celmed Merge to Create New Force in Oncology**

**Groningen, the Netherlands and Montreal, Canada, November 28, 2006** — Kiadis B.V, a Dutch early product development company, and Celmed BioSciences Inc., a Canadian clinical product development company, today announce their plans to merge both oncology-focused companies. The combined company will be named Kiadis Pharma B.V. and headquartered in the Netherlands with facilities in the Netherlands and Canada.

Kiadis Pharma is fully dedicated to in-house pharmaceutical product development and has extensive experience in oncology. Kiadis Pharma currently has an impressive small molecule pipeline with four products in various phases of clinical development allowing fast track potential and significant market opportunities. Its lead product, *ATIR*, has successfully allowed blood cancer patients, without access to a fully matched donor, to receive a life-saving transplantation of bone-marrow. *ATIR* is currently in phase I/II clinical development and could open treatment opportunities for a significant group of patients. The product pipeline of Kiadis Pharma relies on three proprietary technology platforms that form a strong foundation for the development of existing and future innovative drugs.

The combination of Kiadis and Celmed BioSciences creates a leading international biotechnology company with proven strengths in oncology, both in products and development platforms. The companies complement each other well when it comes to pipeline, network, regulatory experience and management teams. The merger marks a key milestone in the development of new treatment options for difficult to treat diseases.

*"Kiadis Pharma has exceptionally strong credentials in oncology with over five years of clinical patient data that allows us to further strengthen our products and accelerate development. We introduce a company that has the ability to develop and market products for high unmet medical needs that give patients an opportunity for disease-free survival."* said Manja Bouman, CEO of Kiadis B.V.

André de Villers, Chairman of the Board at Celmed BioSciences Inc., adds: *"We are a particular good match in terms of our combined expertise and ability to cover the entire pharmaceutical product development spectrum. Our merger is a sound business opportunity, leveraging the strengths of Canadian and Dutch biotech communities on both sides of the Atlantic."*

Mark Wegter, Chairman of the board of Kiadis and a general partner with LSP, investor in both companies, comments: *"Celmed and Kiadis will benefit from each other in terms of scale, team and technologies. The combination of the companies creates an excellent opportunity for further growth and development. Their successful clinical programs on top of their state-of-the-art technology platforms give a great indication for their combined market potential."*

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The new management team of Kiadis Pharma will be headed by Manja Bouman as CEO and includes executives from both companies. The cross-Atlantic management team is well positioned to drive strategic growth and to ensure the company remains on track to realize its market potential. The team is firmly embedded in the relevant clinical communities with excellent links to regulators, and expertise in the entire product development value chain. Kiadis Pharma will incorporate strong external validation through the planned establishment of renowned scientific and clinical advisory boards as well as the backing of knowledgeable shareholders.

The merger is still subject to approval by the shareholders of both companies as well as regulatory approvals and customary closing conditions. Financial details of the upcoming transaction are not disclosed.

**About Kiadis B.V.**

Kiadis is dedicated to the early development of groundbreaking, novel oncology products. Based in Groningen, the Netherlands, Kiadis transformed from a technology platform development company into a fully integrated product development company with a strong specialization in oncology. Kiadis successfully developed the BioSelect™ technology platform, a screening platform that can identify novel compounds from diverse sources. Investors in Kiadis include, LSP, Esprit Capital Partners and N.V. NOM - Investment and Development Agency for the Northern Netherlands.

**About Celmed BioSciences Inc.**

Celmed BioSciences Inc. is a private biopharmaceutical company in the field of oncology. Based in Montreal, Canada, Celmed BioSciences has multiple programs in various phases of clinical development. Celmed BioScience has developed a number of proprietary small molecule drugs from its technology platforms Theralux™ and ECTA. Investors in Celmed BioSciences include LSP, BioVeda Capital and GeneChem.

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