

## **Biolipox – Inflazyme Pharmaceuticals Transaction Completed**

Biolipox announced today that Inflazyme Pharmaceuticals Ltd., (TSX:IZP) has completed its previously announced sale of substantially all of its research and development assets to the Swedish biopharmaceutical company Biolipox AB. The transaction was approved at Inflazyme's AGM and Special Meeting of Shareholders on November 16, 2007. Of the votes cast, 98 per cent were in favor of the transaction.

Inflazyme has received \$4 million in cash for the sale of the PDE inhibitors, the LSAIDs™ and the Protein Therapeutics technology. In addition, Inflazyme may receive up to \$7 million in potential milestones plus royalty payments consisting of the following: (i) \$1.5 million upon a decision to enter a Phase 2b clinical study with a PDE inhibitor; (ii) \$2.5 million upon a decision to initiate a Phase 3 study with a PDE inhibitor; (iii) \$3 million upon a decision to begin a Phase 3 clinical study with an LSAID™; and (iv) a modest royalty of 1.25% on net sales of the first PDE inhibitor commercialized. Inflazyme may also receive up to 35% of the proceeds from the subsequent sale of the Protein Therapeutics technology if these assets are sold within 12 months of this transaction closing.

"With the acquisition of these interesting development programs from Inflazyme, we strengthen our position within respiratory and inflammatory diseases. Inflazyme's novel technologies have exciting potential which we believe will fit nicely in our R&D portfolio", commented Torbjörn Bjerke, President and CEO of Biolipox.

The acquisition of Biolipox by Orexo AB, a public Swedish pharmaceutical company (OMX Nordic List, Mid Cap: ORX), was recently approved by the Orexo shareholders. The purpose of this transaction is to create a specialty pharmaceutical company with a broad product pipeline and an established sales channel. Dr. Torbjörn Bjerke, the former President and CEO of Biolipox will be appointed as the President and CEO of the merged entity which will retain the name Orexo. That transaction is expected to close later this month.

For further information, please contact:

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