



PRESS RELEASE
For immediate release

PROMETIC ANNOUNCES THIRD QUARTER 2004 FINANCIAL RESULTS

**Recurring revenues of \$1.6 million;
total revenues year to date amount to \$7.3 million**

Montréal, Quebec (Canada), November 8, 2004 – **ProMetic Life Sciences Inc.** (TSX: PLI.SV) today announced financial results and reviewed operational highlights for the third quarter and nine-month period ended September 30, 2004. All amounts are in Canadian dollars unless otherwise indicated.

Highlights

Enabling Technology

- GlaxoSmithKline (GSK) signed a long-term collaboration agreement with the Company for a multi-protein program to develop Mimetic Ligand™ and supply adsorbent for their manufacturing processes.
- PRDT Inc. (the joint venture between ProMetic and the American Red Cross) signed a strategic alliance with MacoPharma, a world leading provider of blood bag sets, to co-develop, market and distribute pathogen (prions and viruses) removal filters.
- PRDT's technology is brought to the forefront as the August issue of the Lancet confirmed that leukoreduction, a filtering step currently used to remove white blood cells from blood, does not eliminate infectivity associated with prions.

Therapeutics

- Human Cytotoxic T Lymphocytes (CTLs) stimulated by PBI-1393 were proven effective in destroying cancer cells in vitro, leading to potential clinical activity similar to IL-2 in the treatment of cancer.
- Ex-vivo activity of PBI-1402 on red blood cell progenitors was confirmed on human bone marrow, leading to multiple potential clinical applications, in particular, for the treatment of anemia.
- Phase II clinical trials with rAAT topical gel demonstrated encouraging results in a pediatric population afflicted with a severe dermatological disorder. However, there was no statistical difference between the active and the placebo in the trial with atopic dermatitis patients, the results pointing to a need for formulation optimization.

Financial Results

The following information should be read in conjunction with the unaudited financial statements for the period ended September 30, 2004, as well as the annual Management Discussion and Analysis for the year ended December 31, 2003.

Revenues for the third quarter of 2004 were \$1.6 million compared with \$0.3 million for the same period in 2003. ProMetic's recurring revenue base continues to grow, reducing the use of cash. The Company's Mimetic Ligand™ technology continues to be successfully delivered to its commercial partners, leading to expanded commercial contracts. For the nine-month period in 2004, revenues were \$7.3 million compared with \$0.9 million for the nine-month period in 2003.

Research and development expenses were \$3.6 million compared with \$3.3 million for the same period in 2003, resulting in substantial advancement in the Company's drug development programs for two lead compounds, PBI-1402 (a G-CSF, GM-CSF, EPO Mimetic) and PBI-1393 (an IL-2 mimetic). Administration, marketing and other expenses, excluding depreciation and amortization, were \$1.5 million for the third quarter of 2004, compared with \$1.3 million for the same period in 2003. A \$0.5 million write-down was recorded in the third quarter (none for the same quarter last year) in relation to the market value of the Hemosol (TSE-HML; NASDAQ-HMSL) shares held by the Company as short-term investments.

Net loss for the quarter was \$4.6 million, or \$0.05 per share, compared with \$4.8 million, or \$0.05 per share, for the same quarter in 2003. Net loss for the nine-month period in 2004 was \$0.11 per share compared to \$0.17 per share during the same period in 2003.

As of September 30, 2004, cash, cash equivalents and short-term investments totalled \$13.3 million.

Business Outlook

ProMetic is focusing on key value-driving projects that will further validate its proprietary technologies and scientific discoveries.

Enabling Technology

- Pathogen Removal: A filter device to reduce the risk of vCJD transmission by transfused blood and blood products is on track for CE Mark filing with the European regulatory agencies during the first half of 2005.
- Plasma protein purification: Hemosol, the Company's first licensee, is currently integrating ProMetic's novel Cascade technology into its state-of-the-art Meadowpine facility, near Toronto. Hemosol's next milestone payment of \$4 million is expected by the first quarter of 2005.
- Diagnostic technologies: A diagnostic test for BSE (Bovine Spongiform Encephalopathy) in live cattle, based on the Company's proprietary technology and expertise with prion infected blood and blood products, is currently in development.

➤ Recombinant proteins:

- Technology transfer in developing countries: ProMetic has been selected as the transfer technology partner for a facility to be built in Tunisia (North Africa) for the local manufacturing of cancer and hepatitis drugs. More than 80% of the production will be exported to MENA countries (Middle East and North Africa) as well as in selected European markets. Terms and conditions are in final discussion stage.
- Ongoing projects with ProMetic's clients such as GlaxoSmithKline, Serono, Novo Nordisk, AM Pharma and Menarini are progressing according to established guidelines and timeframes. ProMetic's Enabling Technology aims to reduce manufacturing costs and to increase the yield of clients' existing drug portfolio and/or drug candidates.

Therapeutics

In line with the Company's mission to bring to market innovative, lower cost, less toxic therapeutic drugs for the treatment of cancer and inflammation/autoimmune diseases, the following clinical and pre-clinical developments are in progress:

- Preliminary results for the Phase I clinical trials of PBI-1402 should be available over the course of the fourth quarter of 2004, with final analysis in the first quarter of 2005.
- Scale-up of PBI-1393 manufacturing is also ongoing at our Therapeutic Unit in Montréal in view of the initiation of Phase I clinical trials during 2005.

Webcast and Conference Call

The Company will host a conference call on Tuesday, November 9 at 11:00 a.m. (EST) to discuss its third quarter results. To access the conference call, dial 1-800-814-4857 (North America) or 416-640-4127 (international). A live webcast with slides will be available at www.prometic.com and www.newswire.ca/webcast. To access the archived conference call, please dial 1-877-289-8525 and enter 21097171#.

About ProMetic Life Sciences

ProMetic Life Sciences Inc. (TSX-PLI.SV) is a biopharmaceutical company specialized in the research, development, manufacture and marketing of a variety of commercial applications from its proprietary platform technologies, which are used in the development of therapeutics, large-scale purification of biologics and the elimination of pathogens/viruses. Headquartered in Montreal (Canada), ProMetic has additional facilities in the UK and the U.S. For more information, visit ProMetic's website at www.prometic.com.

This press release contains forward-looking statements that involve risks and uncertainties, including, but not limited to the Company's ability to develop, manufacture, and successfully commercialize value-added pharmaceutical products and to obtain contracts for its products and services and commercial acceptance of advanced affinity separation technology. Shareholders are cautioned that these statements are predictions and these actual events or results may differ materially from those anticipated in these forward-looking statements.

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PROMETIC

PROMETIC LIFE SCIENCES INC.

Investor Update

Nine-month period ended September 30, 2004

This present release must be considered as the quarterly report to shareholders.

1. Management discussion and analysis of operating results and financial position
2. Consolidated Balance Sheets
3. Consolidated Statements of Operations
4. Consolidated Statements of Deficit
5. Consolidated Statements of Cash Flows
6. Notes to Consolidated Financial Statements

Management Discussion and Analysis of Operating Results and Financial Position

The following information should be read in conjunction with the unaudited financial statements for the period ended September 30, 2004. These interim financial statements have been prepared by the management of the Company, and have not been subject to an engagement review by the Company's auditor.

RESULTS OF OPERATIONS

Net loss for the quarter was \$4.6 million, or \$0.05 per share, compared with \$4.8 million, or \$0.05 per share, in the same quarter of the previous year. Net loss for the nine-month ended September 30, 2004 was \$11.1 million, or \$0.11 per share, compared with \$14.4 million, or \$0.17 per share in the same period of the previous year. .

Revenues for the third quarter of 2004 amounted to \$1.6 million compared with \$0.3 million in the third quarter of 2004. ProMetic's recurring revenue base continues to grow and provide an expanding commercial base. The Company's Enabling Technology continues to successfully execute numerous development steps with its commercial partners, explaining this substantial revenue increase. For the nine-month period ended September 30th 2004, these revenues amounted to \$7.3 million compared to \$0.9 million for the same period last year. The increases are mainly due to the Hemosol license agreement signed in the second quarter, as well as development contract revenues from Serono and Glaxo.

Research and development expenses totaled \$3.6 million for the current quarter, compared to \$3.3 million for the same period last year. For the nine-month period ended September 30th 2004, these expenses totaled \$11.8 million compared to \$9.5 million for the same period last year. The increases are primarily the results of the advancements in the Company's drug development programs for its two lead compounds, PBI-1402 and PBI-1393, and the scientific support of its development contracts, including programs with the American Red Cross.

Administration, marketing and other expenses for the quarter totaled \$1.5 million, compared to 1.2 million for the same period last year. For the nine-month period ended September 30th 2004, these expenses were stable and totaled \$4.2 million compared to \$4.3 million for the same period last year.

A *Special charge* in the amount of \$0.5 million was recorded during the quarter and is related to the write-down of the Hemosol temporary investment following a decrease in its share price.

Acquisitions of property and equipment during the quarter amounted to \$0.9 million and consisted mainly of the refurbishment of the Company's manufacturing facility in Europe in order to meet growing demands for products. Cash was used to finance these acquisitions.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2004, cash, cash equivalents and short-term investments totaled \$13.3 million, compared with \$25.9 million on December 31, 2003. The decrease is due to use of funds for operating and investing activities.

PROMETIC LIFE SCIENCES INC.
CONSOLIDATED BALANCE SHEETS

(In thousands of Canadian dollars)

	September 30	December 31
	2004	2003
	(unaudited)	(audited)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,566	\$ 24,052
Short-term investments (Note 6)	10,721	1,800
Accounts Receivable (Note 3)	1,425	684
Inventories	824	586
Prepaid expenses	845	958
	16,381	28,080
Investments and interest in a joint venture (Note 4)	4,104	3,371
Capital assets	3,866	3,493
Intellectual property	5,713	5,649
Deferred development costs	1,261	2,027
	\$ 31,325	\$ 42,620
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 4,515	\$ 6,069
Deferred revenues	166	1,800
Current portion of long-term debt	464	490
	5,145	8,359
Long-term debt	510	847
Preferred shares, retractable at the holder's option	1,337	914
	6,992	10,120
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	135,672	132,617
Contributed surplus (Note 2b)	82	-
Deficit	(111,421)	(100,117)
	24,333	32,500
	\$ 31,325	\$ 42,620

See accompanying notes to consolidated financial statements

PROMETIC LIFE SCIENCES INC.**CONSOLIDATED STATEMENTS OF OPERATIONS**

(In thousands of Canadian dollars except for per share amounts)

(Unaudited)

	Quarter ended		Nine months ended	
	September 30		September 30	
	2004	2003	2004	2003
Sales and contract R&D revenues	\$ 1,614	\$ 270	\$ 2,965	\$ 874
Licensing revenues	-	-	4,370	-
Revenues	\$ 1,614	\$ 270	\$ 7,335	\$ 874
Research and development expenses	3,623	3,273	11,827	9,470
Administration, marketing and other expenses	1,463	1,246	4,212	4,336
Depreciation of capital assets	290	256	818	743
Amortization of intellectual property and deferred development costs	396	313	1,195	937
	5,772	5,088	18,052	15,486
Gain (loss) on foreign exchange	74	(28)	(17)	(1)
Write-down of short-term investment (Note 6)	(530)	-	(530)	-
Net interest income (Note 7)	16	56	186	262
Net loss	4,598	4,790	11,078	14,351
Net loss per share	\$ 0.05	\$ 0.05	\$ 0.11	\$ 0.17
Weighted average number of outstanding shares	99,503	87,278	99,404	86,832

See accompanying notes to consolidated financial statements

PROMETIC LIFE SCIENCES INC.
CONSOLIDATED STATEMENTS OF DEFICIT
(In thousands of Canadian dollars)
(Unaudited)

	Quarter ended		Nine months ended	
	September 30		September 30	
	2004	2003	2004	2003
Deficit, beginning of the period	\$ 106,823	\$ 87,956	\$ 100,117	\$ 78,395
Adjustment for change in stock-based compensation	-	-	44	-
Deficit, beginning of the period as restated	106,823	87,956	100,161	78,395
Net Loss	4,598	4,790	11,078	14,351
Share issue expenses	-	-	182	-
Deficit, end of period	\$ 111,421	\$ 92,746	\$ 111,421	\$ 92,746

See accompanying notes to consolidated financial statements

PROMETIC LIFE SCIENCES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of Canadian dollars)

(Unaudited)

	Quarter ended		Nine months ended	
	September 30		September 30	
	2004	2003	2004	2003
Cash flows from (used in) operating activities:				
Net loss	\$ (4,598)	\$ (4,790)	\$ (11,078)	\$ (14,351)
Adjustments to reconcile net loss to cash flows used in operating activities:				
Stock-Based compensation	19	-	39	-
Write-down of short-term investment (Note 6)	530	-	530	-
Loss on disposal of capital assets	(1)	5	(1)	5
Depreciation of capital assets	290	256	818	743
Amortization of deferred development costs	250	203	766	623
Amortization of intellectual property	146	111	429	314
	(3,364)	(4,215)	(8,497)	(12,666)
Net change in operating assets and liabilities	(430)	(163)	(3,840)	1,292
	(3,794)	(4,378)	(12,337)	(11,374)
Cash flows from (used in) financing activities:				
Proceeds from share issues	-	44	3,056	69
Share issue expenses	-	-	(398)	-
Increase in long-term debt	-	-	-	1,095
Repayment of long-term debt	(131)	(94)	(363)	(266)
	(131)	(50)	2,295	898
Cash flows from (used in) investing activities:				
Disposal (acquisition) of short-term investments	(8,381)	919	(8,381)	9,252
Acquisition of an investment	(129)	-	(310)	(176)
Additions to capital assets	(598)	(184)	(1,489)	(1,477)
Additions to Intellectual property	(182)	(162)	(1,264)	(744)
Proceeds from disposal of capital assets	-	3	-	3
	(9,290)	576	(11,444)	6,858
Net (decrease) increase in cash and cash equivalents	(13,215)	(3,852)	(21,486)	(3,618)
Cash and cash equivalents, beginning of period	15,781	13,624	24,052	13,390
Cash and cash equivalents, end of period	\$ 2,566	\$ 9,772	\$ 2,566	\$ 9,772

See accompanying notes to consolidated financial statements

PROMETIC LIFE SCIENCES INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

ProMetic Life Sciences (the “Company” or “ProMetic”) is an international biopharmaceutical company engaged in the research, development, manufacturing and marketing of a variety of applications developed from its own exclusive technology platform. ProMetic owns proprietary technology essential for use in the large-scale purification of drugs, genomics and proteomics products and for medical and therapeutic applications.

1- Basis of Presentation

The unaudited consolidated balance sheet as of September 30, 2004 and the related unaudited consolidated statements of operations and deficit, and cash flows, for the nine-month period ended September 30, 2004 and 2003, have been prepared using accounting principles and practices consistent with those used and described in the annual financial statements, but do not include all disclosures required by generally accepted accounting principles. Accordingly, they should be read in conjunction with the Company’s audited consolidated financial statements and notes thereto as of and for the year ended December 31, 2003 included in the Company’s annual report to shareholders. Information as at September 30, 2004 and for the periods ended September 30, 2004 and 2003 are unaudited.

2- New Accounting Standard

a) Impairment of Long-Lived Assets:

In December 2002, the CICA issued Section 3063 of the Handbook, *Impairment of Long-lived Assets*, effective for fiscal years beginning on or after April 1, 2003. Among other things, the Section establishes the recognition, measurement and reporting standards with respect to the impairment of long-lived assets held for use. Pursuant to the recommendations, a loss of value should be recognized when the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. The Company adopted these recommendations as of January 1, 2004. The adoption of these recommendations had no impact on the financial statements of the Company.

b) Stock-Based Compensation:

Effective January 1, 2004, Canadian GAAP requires the fair value of options granted to employees to be expensed over their vesting period. Prior to January 1, 2004, the Company did not recognize any compensation for stock options granted to employees as the granting and exercising of options were accounted for as equity transactions.

The Company is adopting the new accounting policy on a retroactive basis with no restatement of prior periods. Accordingly, on January 1, 2004, retained earnings was reduced and contributed surplus was increased by \$43,822 to account for the stock option expense that would have been charged to loss in 2002 and 2003 with respect to all options granted since January 1, 2002.

The Company uses the Black-Scholes option valuation model to calculate the fair value of options at the date of grant. The grant was estimated with the following assumptions:

Risk-Free interest rate	4.46%
Dividend yield	0%
Expected volatility of share price	50.0%
Expected life	5 years

The estimated fair value of options during the third quarter ended September 30, 2004 was \$0.41.

Had the company expensed the fair value of the stock options in prior periods, the following pro forma amounts would have resulted:

<i>(in thousands of Canadian dollars, except per share amounts)</i>	Quarter ended September 30		Nine months ended September 30	
	2004	2003	2004	2003
Net loss	\$ 4,598	\$ 4,790	\$ 11,078	\$ 14,351
Plus: Compensation expense recognized in the statement of earnings	20	-	39	-
Less: Total compensation expenses	(20)	(7)	(39)	(29)
Pro forma net loss	\$ 4,598	\$ 4,797	\$ 11,078	\$ 14,380
Pro forma net loss per share	0.05	0.05	0.11	0.17

(c) Revenue Recognition

During the year, the Company adopted the recommendations of the Emerging Issues Committee (“EIC”) of the CICA in abstracts EIC-141, Revenue Recognition and EIC-142, Revenue Arrangements with Multiple Deliverables. EIC-141 provides interpretative guidance on the application of Section 3400 of the CICA Handbook, “Revenue”. More specifically, the abstract presents the criteria to be met so that revenue recognition can be considered as having been achieved. EIC-142 addresses not only when and how an arrangement involving multiple deliverables should be divided into separate elements of accounting, but also how the arrangement’s consideration should be allocated among separate units. Adoption of these recommendations did not affect the financial position or results of operations in the consolidated financial statements.

3- Accounts Receivable

(in thousands of Canadian dollars)

	September 30 2004	December 31 2003
Trade	\$ 1,092	\$ 245
Sales taxes receivable	264	414
Accrued Interest and Other	69	25
	\$ 1,425	\$ 684

4- Investments and interest in a joint venture

(in thousands of Canadian dollars)

	September 30 2004	December 31 2003
Investments:		
Investment in convertible preferred shares of Arriva Pharmaceuticals, Inc.	\$ 2,281	\$ 2,281
Investment in convertible preferred shares of AM-Pharma Holding B.V.	358	176
Deposit for Investment.	128	-
Interest in a joint venture:		
Excess of the interest in the joint venture Pathogen Removal and Diagnostic Technologies Inc. over proportionate share in consolidated net assets	1,337	914
	\$ 4,104	\$ 3,371

5- Share capital

a) Share issue:

Changes in the issued and outstanding subordinate voting shares were as follows:

	Number	Thousands \$
Balance as at December 31, 2003	84,843	\$ 131,504
Shares issued pursuant to:		
Exercise of the over allotment option	1,579	3,000
Exercise of options	55	56
Balance as at September 30, 2004	86,477	\$ 134,560

5- Share capital (continued)

b) Stock options:

The following table summarizes the changes in the number of stock options outstanding:

	Options (000's)	Weighted average exercise price per share
Number of options as at December 31, 2003	4,293	\$ 1.51
Granted	535	\$ 2.70
Exercised	(55)	\$ 1.01
Cancelled	(171)	\$ 2.66
Number of options as at September 30, 2004	4,602	\$ 1.64

c) Earnings per share:

Stock options were not included in the computation of the diluted loss per share because to do so would have been anti-dilutive.

6- Short-term investments

Investments	September 30 2004	December 31 2003
Discount Note, 1.75 %, Expiration date; January 25, 2005	\$ 8,381	-
Hemosol shares *	2,340	1,800
	\$ 10,721	\$ 1,800

* Following a decrease in Hemosol share price, short-term investments have been written-down by \$530.

Date	Number of shares	Share Price	Share price at September 30, 2004	Variance (000,s)
December 04, 2003	2,000,000	\$ 0.90	\$ 0.78	\$ 240
June 01, 2004	1,000,000	\$ 1.07	\$ 0.78	290
				\$ 530

7- Net interest income

(In thousands of Canadian dollars)

	Quarter ended September 30		Nine-months ended September 30	
	2004	2003	2004	2003
Financial expenses	\$ (47)	\$ (26)	\$ (118)	\$ (68)
Interest income	63	82	304	330
Net interest income	\$ 16	\$ 56	\$ 186	\$ 262

8- Non-cash transactions:

(In thousands of Canadian dollars)

	Quarter ended September 30		Nine-months ended September 30	
	2004	2003	2004	2003
Unpaid additions to capital assets and intellectual property	(\$ 24)	-	\$ 145	\$ 327
Unpaid share issue expenses	-	-	7	-
Excess of the interest in the joint venture Pathogen Removal and Diagnostic Technologies Inc. over the proportionate share in the consolidated net assets	76	135	423	409
Preferred shares retractable at the holder's option	76	135	423	409

9- Segmented Information

(In thousands of Canadian dollars)

Revenues¹ by geographic segment are as follows:

	Quarter ended September 30,		Nine-months ended September 30,	
	2004	2003	2004	2003
Canada	\$ 15	\$ -	\$ 4,380	\$ -
United States	509	89	824	195
United Kingdom	338	133	679	454
Europe (excluding United Kingdom)	744	47	1,402	190
Other countries	8	2	50	35
	\$ 1,614	\$ 271	\$ 7,335	\$ 874

¹ Revenues are attributed to countries based on customer's location.

9- Segmented Information (continued)

(In thousands of Canadian dollars)

Net losses by geographic segment are as follows:

	Quarter ended September 30		Nine-months ended September 30	
	2004	2003	2004	2003
Canada	\$ 3,518	\$ 3,058	\$ 6,349	\$ 9,536
United States	733	347	2,458	847
United Kingdom	347	1,385	2,271	3,968
	\$ 4,598	\$ 4,790	\$ 11,078	\$ 14,351

The assets by geographic segment are as follows:

	September 30 2004	December 31 2003
Canada	\$ 21,704	\$ 33,617
United States	384	456
United Kingdom	9,237	8,547
	\$ 31,325	\$ 42,620

The capital assets and intellectual property by geographic segment are as follows:

	September 30 2004	December 31 2003
Canada	\$ 5,373	\$ 5,302
United States	92	97
United Kingdom	4,114	3,742
	\$ 9,579	\$ 9,141

Additions to capital assets and intellectual property by geographic segment are as follows:

	Quarter ended September 30		Nine-months ended September 30	
	2004	2003	2004	2003
Canada	\$ 241	\$ 190	\$ 716	\$ 1,009
United States	-	8	10	82
United Kingdom	515	57	960	357
	\$ 756	\$ 255	\$ 1,686	\$ 1,448

10- Comparative Figures

Certain comparative figures in the financial statements have been reclassified in order to conform to the current period's presentation.