ProMetic
Life Sciences Inc.

Q1

QUARTERLY REPORT

FOR THE PERIOD ENDING
MARCH 31, 2009

PROMETIC LIFE SCIENCES INC.

A. ProMetic Press Release – May 14, 2009

B. Quarterly Report

Three-month period ended March 31, 2009

This present release constitutes the quarterly report to shareholders.

ProMetic

PRESS RELEASE
FOR IMMEDIATE RELEASE

PROMETIC REPORTS ITS FIRST QUARTER 2009 HIGHLIGHTS AND FINANCIAL RESULTS

- Q1 2009 revenue reached $3.8 M, an increase of nearly 120% over Q1 2008
- Protein Technologies Unit reports positive EBITDA of $0.5 M for Q1 2009

MONTREAL, QUEBEC, CANADA – May 14, 2009 - ProMetic Life Sciences Inc. (TSX: PLI) ("ProMetic") today reports business highlights and financial results for the first quarter of 2009. All amounts are in Canadian dollars unless otherwise indicated.

"In the first quarter of 2009, ProMetic has registering revenue growth from its Protein Technologies business and reduced costs leading to a significant reduction of $3.7 M in operating losses over the same period last year," remarked Mr. Pierre Laurin, President and Chief Executive Officer of ProMetic. Mr. Laurin added: "This is a net result of our strategic decisions to focus on revenue generating and partnering activities. The Company is also pursuing non-dilutive initiatives to improve its balance sheet, including monetization of certain large value contracts and other forms of credit and development support from the governments of Quebec and Canada."

Highlights

Protein Technologies

- In the first quarter of 2009, the Protein Technologies Unit entered into a collaborative development agreement with HemCon Medical Technologies Inc. ("HemCon") for a sterile, single-use antibody capture device for the removal of isoagglutinin antibodies. The development agreement, which targets a $ 500 M US market opportunity includes:

    - funding of the development program by HemCon - both companies will jointly own all collaboration technology;
    - integration of ProMetic's technology with HemCon's Lyophilized Plasma System will result in a stable and universally applicable plasma product for emergency use by HemCon's military and civilian customers that avoids the requirement to match plasma.

Therapeutics

- During this past quarter, ProMetic has brought forward additional data demonstrating that PBI-1402 has a distinct mechanism of action than that of erythropoietin stimulating agents ("ESAs"), that its safety profile does not exacerbate tumor growth and that it does not raise hemoglobin to unsafe levels.

  In addition, new data generated indicate that PBI-1402 could be efficacious in different conditions relating to chronic kidney diseases and furthermore, that it demonstrated nephroprotective properties.

The changing anemia market has provided new opportunities for PBI-1402. In order to capitalize on these opportunities ProMetic has retained the services of experienced advisors to augment the in-house business development initiates underway. In this respect, Sumitomo Corporation of America will advise on partnering for the Japanese market; Healthios and HealthPro BioVentures have been retained for the North American and European Markets.

Corporate

- At ProMetic's Annual and Extraordinary Meeting of Shareholders (the "Meeting"), Mrs. Louise Ménard, President of Groupe Méfor inc., Mr. Paul Mesburis, Senior Portfolio Manager, Excel Funds Management Inc., and Dr. Roger Perrault, Independent Director, were elected to ProMetic's Board of Directors.

  Re-elected Directors are Mr. G.F. Kym Anthony, Chair of DFG Investment Advisers, Dr. John Bienenstock, Professor of Medicine and Pathology at McMaster University, Mr. Robert Lacroix, Senior Vice-President of CTI Capital Securities, Mr. Pierre Laurin, President of ProMetic, Mr. Bruce Wendel, Executive Vice-President, Corporate Development of Abraxis BioScience Inc., and Mr. Benjamin Wygodny, President of Angus Partnership.

- The strengthening of ProMetic's EBITDA position has allowed the Company to access new debt instruments, including a repayable grant from the Isle of Man Department of Trade and Industry.

Financials Results

The following information should be read in conjunction with the financial statements for the first quarter ending March 31, 2009, as well as the Management's Discussion and Analysis for the same period.

Revenues for the first quarter of 2009 were at $3.8 M, $2.1 M higher than the same quarter in 2008. This increase is due to service fees associated with the development agreements with various licensees as well as significant sales of affinity adsorbents to major pharmaceutical companies from the subsidiary in the UK.

These revenues arising from the core technologies have allowed the Protein Technologies Unit to report a positive EBITDA of $0.5 M for the first quarter of 2009.

The operating loss decreased significantly during the first quarter of 2009 mainly due to the increased gross profit resulting from increased sales and the costs cutting measures initiated by ProMetic's management team. Operating losses were at $1.6 M in the first quarter 2009 compared to $5.3 M in the same quarter in 2008, an improvement of $3.7 M.

Cash outflows from operating activities were $1.0 M for the first quarter of 2009 compared to $3.8 M for the same period in 2008. This decrease is mainly attributed to the increased revenues and costs reduction measures initiated by ProMetic's management team.

ProMetic's MD&A and 2009 First Quarter Financial Statements have been filed on Sedar (www.sedar.com) and are now available on the Company's web site at www.prometic.com.

About ProMetic Life Sciences Inc.

ProMetic Life Sciences Inc. ("ProMetic") (www.prometic.com) is a biopharmaceutical company specialized in the research, development, manufacture and marketing of a variety of commercial applications derived from its proprietary Mimetic Ligand(TM) technology. This technology is used in large-scale purification of biologics and the elimination of pathogens. ProMetic is also active in therapeutic drug development with the mission to bring to market effective, innovative, lower cost, less toxic products for the treatment of hematology and cancer. Its drug discovery platform is focused on replacing complex, expensive proteins with synthetic “drug-like” protein mimetics. Headquartered in Montréal (Canada), ProMetic has R&D facilities in the U.K., the U.S. and Canada, manufacturing facilities in the U.K. and business development activities in the US, Europe, Asia and in the Middle-East.

Forward Looking Statements
This press release contains forward-looking statements about ProMetic’s objectives, strategies and businesses that involve risks and uncertainties. These statements are “forward-looking” because they are based on our current expectations about the markets we operate in and on various estimates and assumptions. Actual events or results may differ materially from those anticipated in these forward-looking statements if known or unknown risks affect our business, or if our estimates or assumptions turn out to be inaccurate. Such risks and assumptions include, but are not limited to, ProMetic’s ability to develop, manufacture, and successfully commercialize value-added pharmaceutical products, the availability of funds and resources to pursue R&D projects, the successful and timely completion of clinical studies, the ability of ProMetic to take advantage of business opportunities in the pharmaceutical industry, uncertainties related to the regulatory process and general changes in economic conditions. You will find a more detailed assessment of the risks that could cause actual events or results to materially differ from our current expectations on page 25 of ProMetic’s Annual Information Form for the year ended December 31, 2008, under the heading “Risk and Uncertainties related to ProMetic’s business”. As a result, we cannot guarantee that any forward-looking statement will materialize. We assume no obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason, unless required by applicable securities laws and regulations. All amounts are in Canadian dollars unless indicated otherwise.

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MD&A

The Management's Discussion and Analysis of Operating Results and Financial Position, prepared May 14, 2009, aims at helping the reader to better understand the business of the Company and the key elements of its financial results. It explains the trends of the financial situation and the operating results of the Company for the first quarter of 2009 compared to the operating results for the first quarter of 2008.

This management's discussion and analysis was prepared in accordance with Regulation 51-102 Respecting Continuous Disclosure Obligations and should be read in conjunction with the 2008 consolidated financial statements and the accompanying notes included in this annual report. These financial statements were prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). Unless otherwise indicated, all figures are expressed in Canadian dollars.

Information as at March 31 2009 and for the periods ended March 31, 2009 and 2008 are unaudited. These quarterly financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and accordingly will be able to realize its assets and discharge its liabilities in the normal course of operations.

Since inception, the Company has concentrated on research and development. It has had no net earnings, minimal revenues, negative operating cash flows and has financed its activities through bank loan and the issuance of debt and equity. The Company's ability to continue as a going concern is dependent on obtaining additional investment capital and achieving profitable operations. There can be no assurance that the Company will be successful in increasing revenue or raising additional investment capital to generate sufficient cash flows to continue as a going concern. These financial statements do not reflect the adjustments that might be necessary to the carrying amount of reported assets, liabilities, revenues and expenses and the balance sheet classification used if the Company were unable to continue operations in accordance with this assumption.

More financial information, including the Company's Annual Information Form, is available on SEDAR (www.sedar.com).

Management's Discussion and Analysis

as at May 14, 2009

Operations

ProMetic Life Sciences Inc. ("ProMetic") is a global biopharmaceutical business, comprised of a group of companies focused on developing technologies which bring pharmaceutical products to market that are Safer, Cost-effective and More Convenient than those already available. ProMetic's business is organized into two distinct operating segments; Protein Technologies and Therapeutics, supported by a Head Office in Montreal, Canada.

Details of the activities of the business together with its long-term strategy and business objectives remain as disclosed in the annual Financial Statements for 2008 in conjunction with which this MD&A should be read.

Operating in a Difficult Economic Environment

During 2008, the Company has made a number of public statements commenting on the strength of its upcoming revenue streams and the actions being taken by Management in relation to driving efficiencies and cost savings in the business, allowing the Company to extend its cash runway, and weather the current economic situation without going to the public market to raise funds for operations.

While the Company was able to achieve this through 2008 and into the first quarter of 2009, the worsening of the global economic situation, coupled with the impact that it has had on general liquidity around the world, has caused ProMetic to put in place non-dilutive funding to extend its cash runway further.

On March 23, 2009, ProMetic entered into a loan agreement with Marigest Inc. which provided for $2.0 million of debt finance, bearing interest at a rate ranging from 12% to 15% per annum. In addition, the agreement provides that a further $3.0 million of debt can be called by ProMetic from the lender should certain milestones related to the stock price of ProMetic be achieved.

Furthermore, on March 10, 2009, the UK subsidiary, ProMetic Biosciences Ltd, secured a £300,000 repayable working capital grant from the Isle of Man Department of Trade & Industry ("Isle of Man DTI"). This grant is repayable without interest.

In the Management's Discussion and Analysis of the first quarter 2009 financial statements, the Company has continued its adoption of the recent guidance provided by the Canadian Institute of Chartered Accountants in its recent CPR alert on MD&A disclosures in volatile and uncertain times.

In the following statements, Management intends to explain the impact of the market's volatility on ProMetic's performance, financial condition and future prospects, through making reference to:

- Strategy and Risk Management;
- Analysis of the 1st Quarter Financial Results of 2009, including;
  - Going Concern Assumptions;
  - Liquidity;
  - Critical Accounting Estimates.

Strategy and Risk Management

ProMetic's strategy in relation to its Protein Technologies business has always been clear: applying ProMetic's proprietary technology to new and existing markets for large-scale drug purification, drug development, proteomics (the study of proteins), and the elimination of pathogens. The ultimate benefit that can be derived from ProMetic's Protein Technologies unit is the enabling of our partners to manufacture more affordable and safer therapeutics, thus aligning ProMetic's business perfectly with current market pressures on the healthcare sector.

The manufacture of protein-based therapeutics has become a global growth industry, and the number of worldwide licensees of ProMetic's proprietary enabling technologies is continually growing as well. Accordingly, we have expanded our ability to collectively serve our current and forthcoming licensees.

This market, as yet has not been hit by the global economic crisis. The licensees of ProMetic's core technologies often see its use as adding significant value to their products, differentiating them from other players in the market. This differentiation results in continued growth in demand for ProMetic's technologies. The bioseparations business continues to have strong and growing revenues, which based on the volume and regular nature of enquiries from blue-chip customers, is continuing.

ProMetic's strategy in relation to the Therapeutics unit has been to develop compounds which, ultimately, will lead to more cost-effective treatment regimes in already developed markets. ProMetic's Management strongly believes that this strategy is highly relevant in the current market economy where cost pressures, above all else, impact the adoption of new drugs.

Also, in relation to the Therapeutics unit, the Company is continuing its discussions with several interested parties regarding a licensing transaction for PBI-1402 and its analogues. These discussions continue despite the volatility in the market. However, Management has nevertheless acted to cut the burn-rate of this division, such that only costs associated with a potential partnering will be incurred. These cost-saving measures can clearly be seen in the financial statements accompanying this Discussion and Analysis.

Across the business, Management operates, or is putting in place, tools to monitor closely the financial performance, both actual and forecasted, to ensure that appropriate measures are taken to limit cash burn at this time. At the same time, the debt finance secured has allowed the runway to be extended further, allowing ProMetic to sustain its position on not requiring additional equity investment at this time.

Q1 2009 IN SUMMARY

The Protein Technologies division once again provided steady revenues on the back of the agreements relating to the PPPS process and the increasing demand for core affinity ligand products.

Disappointingly, the adoption of P-Capt® in the UK and Ireland has not yet occurred, although, progress is being made by the various advisory bodies to the respective governments with regard to the adoption of this technology. As a result, ProMetic's latest revenue forecast does not assume adoption prior to July 2009.

Activity also continued in the Therapeutics business, with further progress being made with a number of interested parties toward a licensing transaction for PBI-1402. Again, this activity has taken longer than anticipated, however, with the strong data generated, Management believes that it is in the best interests of the shareholders to seek out a deal which reflects the true value of the compound. Indeed to support and accelerate these discussions, Management has engaged the services of Sumitomo Corporation of America to assist with partnering initiatives in Japan, and with Healthios and HealthPro BioVentures to assist with the same activities in Europe and North America. These firms are experienced and focused in the therapeutic area.

Cash flow continues to be tight, particularly as a result of the regular repayments on the Long Term Debt contracted in 2006. The final payment on this debt instrument is due in August 2009. Management expects cash flow to remain challenging until this time, and is actively seeking alternative non-dilutive funding to ease this situation

As the Company moves into a period of growing revenues from the contracts which it has already secured, and continues to control its costs, it progresses towards achieving a position of being EBITDA (earnings before interests, taxes, depreciation and amortization) positive. However, the further delays in the launch of P-Capt® are likely to push this into 2010.

Clearly, there is a transition period in moving to being EBITDA positive, during which access to debt, while not impossible, is difficult, especially when coupled with the difficult economic climate. However, as disclosed earlier, Management has been successful in raising $2.0 million of debt finance and £300,000 of repayable grant finance in the first quarter and continue to work on other non-dilutive funding measures.

First Quarter 2009 - Significant Events

Corporate

- $5 million Loan agreement with Marigest inc, from which $2 million drawn in Q1 2009;
- Repayable grant secured from Isle of Man DTI;

Protein Technology

- Development Agreement signed with Hemcon;

Therapeutics

- Engaged Sumitomo Corporation to assist with partnering initiatives for PBI-1402 for the Japanese market.

Results of Operations

Quarter ended March 31, 2009, compared to quarter ended March 31, 2008

Revenues

Total revenues for Q1 2009, which were mostly derived from the Protein Technology unit, were $3.8 million compared with $1.8 million in the same quarter of 2008.

The growth in revenue came from the service fees associated with the development agreements with various licensees as well as significant sales of affinity adsorbents to major pharmaceutical companies.

There were no significant revenues associated with the Therapeutics business unit.

Costs of Goods Sold

The costs of goods sold for the quarter ended March 31, 2009, totalled $0.4 million compared to $0.2 million in the same period of previous year. The related revenues totalled $2.4 million in Q1 2009 and $0.9 million Q1 2008 giving respectively a gross margin of 82.5% in Q1 2009 compared to 78% for Q1 2008. The difference is due to mix of products sold.

Research and Development expenses rechargeable

Research and development expenses rechargeable totalled $0.5 million in Q1 of both 2009 and 2008.

Research and Development Expenses

Research and development expenses were $3.2 million for the quarter ended March 31, 2009, compared to $4.2 million for the same period in 2008. The variance is mainly attributable to the cost reduction program implemented by Management.

Administrative and Marketing Expenses

Administrative and marketing expenses were $1.3 million for the first quarter of 2009 compared to $1.4 million for the same period in 2008. No specific reasons other than the cost-cutting measures implemented by Management are responsible for this decrease.

Amortization Expenses
Amortization expenses for Q1 209 were $0.3 million compared to $0.4 million in Q1 2008. This difference is primarily attributable to the change in the exchange rate used to consolidate the UK operations.

Net Results
The Company incurred a net loss of $2.0 million, or $0.01 per share (basic and diluted), for the quarter ended March 31, 2009, as compared to a net loss of $5.8 million, or $0.02 per share (basic and diluted) for the quarter ended March 31, 2008. This significant decrease in net loss is the result of the increase in revenues. In addition, the impact of the cost reduction program contributed greatly to the improvement of the net results. This upside was further augmented by a foreign exchange gain of $0.3 million for Q1 2009, compared to a loss of $0.4 million in Q1 2008.

EBITDA by business units
First quarter - In millions of dollars

	Protein Technologies	Therapeutics	Corporate	Intersegments transaction	Total
Revenues	3.8	-	-	-	3.8
Cost	3.3	0.9	1.1	-	5.3
EBITDA	0.5	(0.9)	(1.1)	-	(1.5)

Capital Resources
The Company has no commitments for capital expenditure at the date of the financial statements.

Over coming periods, it may be necessary for the Company to invest in further capital expenditure in order to service the requirements of certain of its contracts.

As the Company grows and develops a sustainable revenue line and resulting positive cash flow, it should be possible for the business to raise cash for expansion through debt facilities.

Liquidity and Financial Position
Current assets totaled $7.6 million as at March 31, 2009, and $8.1 million as at December 31, 2008. Additional details are provided under the heading Cash Flows. Accounts receivable were $4.3 million at March 31, 2009, compared to $4.4 million at December 31, 2008. Accounts receivables consist mostly of trade receivables related to the sales of resin, as well as R&D tax credit receivables related to the activities of our Therapeutics unit. The net capital assets decrease to $1.6 million as at March 31, 2009, from $2.4 million as at December 31, 2008. This is a combined effect of the impact of depreciation and the change in foreign exchange method for consolidating the UK subsidiary.

Cash Flows
Cash flows used in operating activities amounted to $1.0 million for the quarter ended March 31, 2009, compared with $3.8 million for the same period in 2008. The significant reduction in cash flows used for operating activities is mainly attributed to higher revenues and cost-cutting measures.

Cash flows from financing activities amounted to $1.0 million for the quarter ended March 31, 2009, compared to $1.7 million for the same period in 2007.

Cash flows used in investing activities amounted to $0.1 million compared with an inflow of $0.4 million for the same quarter in 2008. The inflow in 2008 came from the insurance reimbursement following a fire in one of ProMetic's research lab.

Summary of Quarterly Results

The following unaudited quarterly information is presented in millions of Canadian dollars except for per share amounts.

	2009	2008			2007			
	March 31	December 31	September 30	June 30	March 31	December 31	September 30	June 30
Revenues	3.8	4.0	3.3	1.1	1.8	1.7	0.7	3.0
Net loss	2.0	5.2	3.6	5.6	5.8	5.8	7.0	4.8
Net loss per share (basic and diluted)	0.01	0.02	0.01	0.02	0.02	0.02	0.03	0.02
Weighted average number of outstanding shares	317	294	286	286	266	260	239	235

Related Party Transaction

On December 5, 2008, the Company entered into an agreement to provide a guarantee (the "Guarantee") in favor of Camofi Master LDC ("Camofi"), relating to an amended and restated loan agreement (the "Loan") that Camofi had provided to a company ("the borrower") wholly owned by a senior officer of the Company. The Loan was originally contracted in December 2007 for the purposes of purchasing shares of the Company.

The Guarantee provides that the Company must be prepared to fulfill the borrower's obligations with respect to the full payment of capital and interest for the Loan if the borrower is unable to do so. Any such payment shall be made within two days of receipt of notice of default from Camofi. Alternatively, the borrower can force Camofi to liquidate some or all of the shares of the Company that are held as collateral to cover the Loan. If called upon under the Guarantee, the Company may chose either to pay in cash or request that the borrower instruct Camofi to liquidate up to 2,300,000 shares of the Company to repay the Loan.

In conjunction with the above, the Company has entered into an agreement with the borrower providing that any payment made by the Company under the Guarantee immediately triggers an equivalent receivable from the borrower. This receivable bears interest at 10% per annum, is evidenced by a demand promissory note and, upon termination of the Loan and the pledge agreement, will be secured by 2,300,000 shares of the Company until all payments of principal and interests owed to the Company are made. This receivable will be recorded at fair value by the Company only when its collectability is reasonably assured.

The Company risks losing a maximum amount of $1,873 plus interest and penalties, without taking into consideration the net proceeds arising from the disposal of the 9,500,000 pledged shares of the Company. The Company has not required any consideration in exchange for this Guarantee. As at December 31, 2008, the Loan had an outstanding balance of $ 1,374,593US and is repayable in full by December 11, 2009. As at December 31, 2008, the Company had recognized an amount of $189 as a loss for amounts already disbursed to the borrower and in addition, estimated that there was a likelihood of having to make additional payments under the Guarantee which would amount to $951. As such, a total amount of $951 was accrued as at December 31, 2008, under accounts payable and accrued liabilities.

Since December 31 2008, the company has made payments under the Guarantee amounting to $ 222,200US. These payments have been adjusted against the year-end accrual, leaving a sum of $671 in accruals relating to potential future payments under the Guarantee

Capital Stock Information

Authorized Share Capital
The authorized share capital of the Company consists of an unlimited number of common shares, and an unlimited number of preferred shares issuable in series.

Issued and Outstanding Share Capital
The following details the issued and outstanding equity securities of the Company:

Common Shares
As at March 31, 2009, the capital stock issued and outstanding consisted of 317,401,768 common shares (317,401,768 as at December 31, 2008).

As at May 14, 2009, the capital stock issued and outstanding consisted of 319,983,880 common shares.

Risks and Uncertainties

Financing Risk
Until each of the units is independently financed, the success of the Company is dependent on its ability to support the development of its two operating units and its ability to bring its products to market, obtain the necessary regulatory approvals, and achieve future profitable operations. This is dependent on the Company's ability to obtain adequate financing through a combination of financing activities and operations. It is not possible to predict either the outcome of future research and development programs nor the Company's ability, nor its operating units' ability, to fund these programs going forward.

Credit Risk
Credit risk is the risk of financial loss to the Company if a customer, partner or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and cash equivalents, short-term investments and receivables. The carrying amount of the financial assets represents the maximum credit exposure.

The financial instruments that potentially expose the Company to credit risk are primarily cash and trade accounts receivables and the excess of interest in the joint venture PRDT over proportionate share in consolidated net asset.

The Company places its cash in titles of high quality issued by government agencies and financial institutions and diversifies its investment in order to limit its exposure to credit risk, while applying implemented investment guidelines in place.

The Company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. To the extent that the Company does not believe it has sufficient liquidity to meet its current obligations, the Management considers securing additional funds through equity, debt or partnering transactions. The Company manages its liquidity risk by continuously monitoring forecasts and actual cash flows.

Accounts payable and accrued liabilities are due within the current operating period.

Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income or the value of its financial instruments.

Interest Risk

The majority of the Company's debt is at fixed rate, there is limited exposure to interest rate risk.

Foreign Exchange Risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in the United Kingdom and in the U.S. and portion of its expenses incurred and revenues generated are in US dollar and in Sterling Pound. Financial instruments potentially exposing the Company to foreign exchange risk consist principally of cash, receivables, accounts payable and accrued liabilities and long-term debt. The Company manages the foreign exchange risk by holding foreign currencies on hand to support foreign currencies forecasted cash outflows, and the majority of the Company's revenues are in US dollar and in Sterling Pound which mitigates the foreign exchange risk.

Equity Risk

The changes in the Company's equity price could impact its ability to raise additional capital.

Forward-Looking Statements

The information contained in Management's Discussion and Analysis of Operating Results and Financial Position contains statements regarding future financial and operating results. It also contains forward-looking statements with regards to partnerships, joint ventures and agreements and future opportunities based on these. There are also statements related to the discovery and development of intellectual property as well as other statements about future expectations, goals and plans. We have attempted to identify these statements by use of words such as "expect", "believe", "anticipate", "intend", and other words that denote future events. These forward-looking statements are subject to material risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. These risks and uncertainties include but are not limited to the Company's ability to develop, and successfully manufacture pharmaceutical products, and to obtain contracts for its products and services and commercial acceptance of advanced affinity separation technology. Additional information on risk factors can be found in the Company's Annual Information Form for the year ended December 31, 2008. 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. Any forward-looking statements we may make as of the date hereof are based on assumptions that we believe to be reasonable as of this date and we undertake no obligation to update these statements as a result of future events or for any other reason, unless required by applicable securities laws and regulations.

PROMETIC LIFE SCIENCES INC.

CONSOLIDATED BALANCE SHEETS

(In thousands of Canadian dollars)

	March 31, 2009 (Unaudited)	December 31, 2008 (Audited)
ASSETS		
Current assets		
Cash	**$424**	$917
Accounts receivable (note 4)	**4,264**	4,414
Inventories (note 5)	**2,744**	2,567
Prepaid expenses	**185**	239
	7,618	8,137
Investments (note 6)	**3,950**	3,585
Capital assets	**1,646**	2,403
Licenses and patents	**4,678**	5,027
	$17,892	$19,152
LIABILITIES		
Current liabilities		
Bank loan (note 7)	**$911**	$911
Accounts payable and accrued liabilities (note 8)	**7,306**	7,112
Other loans (note 9)	**2,550**	-
Deferred revenues	**1,495**	1,419
Current portion of long-term debt	**2,649**	3,906
	14,911	13,348
Long-term debt	**38**	43
Preferred shares, retractable at the holder's option	**4,691**	4,348
	19,639	17,739
SHAREHOLDERS' EQUITY		
Share capital (note 10)	**210,972**	210,972
Contributed surplus	**9,435**	9,338
Currency translation adjustment (note 2)	**(1,220)**	-
Deficit	**(220,934)**	(218,897)
	(1,747)	1,413
	$17,892	$19,152

The accompanying notes are an integral part of the consolidated financial statements.

PROMETIC LIFE SCIENCES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(In thousands of Canadian dollars except for per share amounts)
(Unaudited)

	Quarters ended March 31, 2009	2008
Revenues	**$3,847**	$1,758
Charges		
Costs of good sold	**421**	151
Research and development expenses rechargeable	**461**	476
Research and development expenses	**3,215**	4,201
Administration and marketing expenses	**1,302**	1,387
(Gain) loss on exchange rate	**(250)**	440
Amortization of capital assets	**212**	272
Amortization of license and patents	**96**	106
	5,457	7,033
Loss before the following items	**($1,610)**	($5,275)
Gain on disposal of capital asset	**-**	353
Interests and penalties related to a lawsuit	**-**	(167)
Net interest expenses	**(425)**	(694)
Net loss and comprehensive income	**($2,035)**	($5,783)
Net loss per share (basic and diluted)	**(0.01)**	(0.02)
Weighted average number of outstanding shares (in thousands)	**317,402**	266,223

For supplemental operations information, see note 13

The accompanying notes are an integral part of the consolidated financial statements.

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

	Quarters ended March 31, 2009	2008
Deficit, beginning of the period	**$218,897**	$197,475
Net Loss	**2,035**	5,783
Share issue expenses	**2**	48
Deficit, end of period	**$220,934**	$203,306

The accompanying notes are an integral part of the consolidated financial statements.

PROMETIC LIFE SCIENCES INC.
CONSOLIDATED STATEMENT OF CONTRIBUTED SURPLUS
(In thousands of Canadian dollars)
(Unaudited)
For the quarters ended March 31, 2009 and 2008

	Stock-based compensation	Warrants	Other	Total contributed surplus
CONTRIBUTED SURPLUS, AS AT DECEMBER 31, 2007	$ 757	$ 3,860	$ 2,136	$ 6,753
Stock-based compensation	72	-	-	72
CONTRIBUTED SURPLUS, AS AT MARCH 31, 2008	$ 829	$ 3,860	$ 2,136	$ 6,825
CONTRIBUTED SURPLUS, AS AT DECEMBER 31, 2008	**$ 1,064**	**$ 6,138**	**$ 2,136**	**$ 9,338**
Stock-based compensation	**97**	**-**	**-**	**97**
CONTRIBUTED SURPLUS, AS AT MARCH 31, 2009	**$ 1,161**	**$ 6,138**	**$ 2,136**	**$ 9,435**

The accompanying notes are an integral part of the consolidated financial statements.

PROMETIC LIFE SCIENCES INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of Canadian dollars)

(Unaudited)

	Quarters ended March 31,	
	2009	2008
Cash flows used in operating activities		
Net loss and comprehensive income	**$ (2,034)**	$ (5,783)
Adjustments to reconcile net loss to cash flows used in operating activities		
Interests on long-term debt	**198**	-
Gain on disposal of capital assets	**(2)**	(353)
Charges paid with shares	**-**	441
Stock-based compensation	**97**	72
Unrealized loss on exchange rate	**85**	314
Amortization of capital assets	**212**	272
Amortization of licenses and patents	**96**	106
	(1,350)	(4,930)
Change in working capital items (note 15)	**333**	1,094
	(1,017)	(3,836)
Cash flows from financing activities		
Proceeds from share issues and rights to acquire shares	**-**	1,771
Share issue expenses	**-**	(41)
Bank loan	**-**	706
Other loan	**2,545**	-
Repayment of long-term debt	**(1,558)**	(715)
	988	1,721
Cash flows used in investing activities		
Disposal of capital assets	**-**	402
Additions to capital assets	**(30)**	-
Additions to licenses and patents	**(36)**	-
	(66)	402
Net decrease in cash	**(95)**	(1,713)
Net effect of currency exchange rate on cash	**(398)**	17
Cash, beginning of period	**917**	2,163
Cash, end of period	**$ 424**	$ 467

For supplemental cash flow information, see note 15

The accompanying notes are an integral part of the consolidated financial statements.

1. Governing statutes, nature of operations and going concern

ProMetic Life Sciences Inc.("ProMetic" or the "Company"), incorporated under the Canada Business Corporations Act, 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. The Company owns proprietary technology essential for use in the large-scale purification of drugs, genomics and proteomics products as well as medical and therapeutic applications.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and on the basis of the going concern assumption which assumes that the Company will continue in operation for the foreseeable future and accordingly, will be able to realize its assets and discharge its liabilities in the normal course of operations. Since inception, the Company has concentrated its resources on research and development. It has had no net earnings, minimal revenues, negative operating cash flows, working capital deficiencies and has financed its activities through the issuance of shares, bank loans and long-term debt.

The Company's ability to continue as a going concern is dependent on raising additional funds either from the issuance of shares or long-term debt and achieving profitable operations. Raising funds in the current economic environment is proving difficult and the cost of accessing capital has increased. The Company's Management is currently in discussion with certain shareholders, financial institutions and other debt providers to obtain additional funds. The Company's ability to increase revenue or raise additional capital to generate sufficient cash flows to continue as a going concern is subject to significant risks, including those described above. These financial statements do not reflect the adjustments that might be necessary to the carrying amount of reported assets, liabilities and revenues and expenses and the balance sheet classification used if the Company were unable to continue operations in accordance with this assumption.

2. Basis of presentation

The unaudited consolidated balance sheet as at March 31, 2009 and the related unaudited consolidated statements of operations and comprehensive income, deficit, contributed surplus and cash flows, for the quarter ended March 31, 2009 and 2008, have been prepared using accounting principles and practices consistent with those used and described in the annual financial statements with the exception of the changes in accounting policies described in note 3.

In addition, the sub-group headed by ProMetic BioSciences Ltd has been determined to be autonomous within the definition of Chapter 1651, Foreign currency translation, of the CICA Handbook. This change has necessitated different foreign exchange treatment resulting in an adjustment of the balance sheet of $1,220.

The interim financial statements do not include all disclosures required for annual financial statements. Accordingly, they should be read in conjunction with the Company's audited consolidated financial statements and notes thereto as at and for the year ended December 31, 2008 included in the Company's annual report to shareholders. Information as at March 31, 2009 and for the quarters ended March 31, 2009 and 2008 are unaudited.

3. Changes in accounting policies

Goodwill and intangible assets

In February 2008, the Canadian Institute of Chartered Accountants (CICA) published new Section 3064, Goodwill and Intangible Assets, to replace Section 3062, Goodwill and Other Intangible Assets. Publication of this new section resulted in the withdrawal of Section 3450, Research and Development Costs, and consequential amendments to certain recommendations in the CICA Handbook.

The new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets by profit-oriented enterprises. This new section is effective for fiscal years beginning on or after October 1, 2008 and the Company has implemented it as of January 1, 2009. This change had no significant impact on the financial statements as at March 31, 2009.

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

In January 2009, the CICA issued Section 1582 Business Combinations, Section 1601 Consolidated Financial Statements and Section 1602 Non-Controlling Interests, which supersede 1581 Business Combinations and Section 1600 Consolidated Financial Statements. The standards apply to annual and interim financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1582 establishes standards for the accounting for a business combination. It provides the Canadian GAAP equivalent to IFRS 3, Business Combinations (January 2008) and applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Section 1601, together with Section 1602, establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS IAS 27, Consolidated and Separate Financial Statements (January 2008). Earlier application of the standards is permitted. If an entity applies the Sections before January 1, 2011, it shall disclose that fact and apply Sections 1582, 1601 and 1602 at the same time. The Company is currently evaluating the impact of adopting the standards as part of its IFRS conversion plan.

International Financial Reporting Standards (IFRS)

In February 2008, the Canadian Accounting Standards Board (AcSB) announced that, as of January 1, 2011, publicly-accountable enterprises will have to adopt IFRS. Accordingly, the Company will adopt these new standards during its fiscal year beginning on January 1, 2011. The AcSB also stated that, during the transition period, enterprises will be required to provide comparative figures in accordance with the IFRS. The IFRS will require additional financial statement disclosure and, while the Company's conceptual framework is similar to Canadian generally accepted accounting principal, enterprises will have to take account of differences in accounting principles. The Company is currently assessing the impact of these new standards on its consolidated financial statements, however, at this time, it is not possible to reasonably determine the impact of this accounting change on the Company's financial reporting.

(In thousands of Canadian dollars except for number of shares)

Other new standards have been published, but they should not have a significant impact on the Company's financial statements.

4. Accounts receivable

	March 31, 2009	December 31, 2008
Trade	**$ 2,501**	$ 2,759
Sales taxes receivable	**123**	80
Tax credits receivable (note 7)	**1,489**	1,415
Advance to an officer, without interest	-	12
Interests receivable from a related company (note 10)	**12**	-
Other	**139**	148
	$ 4,264	$ 4,414

5. Inventories

	March 31, 2009	December 31, 2008
Raw materials	**$ 499**	$ 165
Work in progress and finished goods	**2,245**	2,402
	$ 2,744	$ 2,567

6. Investments

	March 31, 2009	December 31, 2008
Cash subject to certain limitations	**$ 73**	$ 72
Guaranteed investment certificates, 1.85 % and 2.25 %, expiring in June 2009, pledged as security of letters of credit to suppliers expiring in September 2009 and October 2012	**364**	360
Convertible preferred shares of AM-Pharma Holding B.V.	**270**	268
Excess of interest in the joint venture Pathogen Removal and Diagnostic Technologies (PRDT) over proportionate share in consolidated net assets	**3,243**	2,885
	$ 3,950	$ 3,585

(In thousands of Canadian dollars except for number of shares)

7. Bank loan

		March 31, 2009		December 31, 2008
Bank loan for an authorized amount of $ 915 related to research and development tax credits, secured by a hypothec for that amount on all present and future research and development tax credits bearing interest at prime plus 2 % (4.5% as at March 31, 2009; 5.5% as at December 31, 2008) and repayable upon receipt of tax credits.	**$**	**911**	$	911

8. Accounts payable and accrued liabilities

		March 31, 2009		December 31, 2008
Accounts payables	**$**	**3,849**	$	3,160
Accruals related to a guarantee (note 11)		**671**		951
Accrued liabilities		**2,786**		3,001
	$	**7,306**	$	7,112

9. Other loans

		March 31, 2009		December 31, 2008
Repayable grant from the IOM government	**$**	**541**	$	-
Other loan		**2,009**		-
	$	**2,550**	$	-

Repayable grant from the IOM government:

ProMetic received a grant of 300,000 pounds sterling from the Government of IOM. The grant is repayable by June 30th, 2009 and bears no interest.

Other loan:

Loan made to ProMetic for an aggregate amount that could reach $5,000. The initial loan was made for $2,000. Each loan, other than the initial loan, shall be for a minimum principal amount of $500. In consideration of the initial loan, ProMetic will issue to the lender 2,500,000 fully paid common shares. The other amounts will be lent to ProMetic should the share closing price reach certain level on the stock market. ProMetic will also issue to the lender an amount of warrants equal to 9 % of the quotient obtained from dividing the amounts borrowed by the warrant exercise price per share upon the closing date.

The loan bears interests at an annual rate of 15 % and will be reduced at 12 % should the given hypothec be at first rank. Interests on both the initial loan and additional loans will be paid in shares. ProMetic shall repay the principal amount and interests of each loan to the lender on the first anniversary of the disbursement of funds or on such other date mutually agreed upon by the parties.

(In thousands of Canadian dollars except for number of shares)

The loan is secured by a hypothec on ProMetic and its subsidiaries' universality of movable property.

As at the date of the issuance of the financial statements, the Company hasn't issued the shares and warrants as per the loan agreement because it is awaiting regulatory approval thereon. Therefore, the loan and its derivative components were not evaluated at their fair value at the date of these financial statements.

10. Share capital

	March 31, 2009			December 31, 2008		
	Number		**Amount**	Number		Amount
Issued and fully paid common shares	**317,401,768**	**$**	**211,422**	317,401,768	$	211,422
Share purchase loan to an officer, without interest and due no later than December 31, 2009			**(450)**			(450)
Balance at end of period		**$**	**210,972**		$	210,972

There was no issuance of shares during the first quarter of 2009.

a) Stock options:

The Company has a stock option plan for its directors, officers and employees or service providers. In May, 2008, the Board of directors approved that the maximum number of common shares reserved for issuance under the option plan increased from 6,000,000 to 15,913,317. The following table summarizes the changes in the number of stock options outstanding.

	Options	Weighted average exercise price per share	
Number of options outstanding as at December 31, 2008	7,956,417	$	0.64
2009 Granted	-		-
Forfeited	(142,350)		0.24
Expired	-		-
Number of options outstanding as at March 31, 2009	7,814,067	$	0.65

(In thousands of Canadian dollars except for number of shares)

b) Stock-based compensation and other stock-based payments:

The Company uses the Black-Scholes option valuation model to calculate the fair value of options at the date of grant, using the following assumptions:

	March 31, 2009	December 31, 2008
Risk-free interest rate	-	3.44%
Dividend yield	-	0%
Expected volatility of share price	-	78.22%
Expected life	-	5 years

The estimated fair value of options granted during the year ended December 31, 2008 is $0.21.

c) Equity draw down facility

On December 7, 2007, the Company entered into a securities purchase agreement in respect of an equity draw down facility. The facility will terminate in December 2009, and it provides the Company with access to financing of up to $15,000 in return for the issuance of common shares at a discount of 4% to 7% to market price based upon the weighted average price of the common shares.

Under the commitment, these resources may be drawn at Company's sole discretion, with Company determining the timing, minimum dollar amount and price per share of each draw under this facility, subject to certain conditions including a market price greater than $0.45.

ProMetic is under no obligation to draw from this facility and will remain at all times free to enter into other financing transactions.

No draw down was done during the first quarter of 2009 and during the year of 2008.

11. Related party transaction

On December 5, 2008, the Company entered into an agreement to provide a guarantee ("The Guarantee") in favour of Camofi Master LDC ("Camofi"), relating to an amended and restated loan agreement that Camofi had provided to a company wholly owned by a senior officer of the Company. The Loan was originally contracted in December 2007 for the purposes of purchasing shares of the Company.

The Guarantee provides that the Company must be prepared to fulfill the borrower's obligations with respect to the full payment of capital and interest for the Loan if the borrower is unable to do so. Any such payment shall be made within two days of receipt of notice of default from Camofi. Alternatively, the borrower can force Camofi to liquidate some or all of the shares of the Company that are held as collateral to cover the Loan. If called upon under the Guarantee, the Company may chose either to pay in cash or request that the borrower instruct Camofi to liquidate up to 2,300,000 shares of the Company to repay the Loan.

In conjunction with the above, the Company has entered into an agreement with the borrower providing that any payment made by the Company under the Guarantee immediately triggers an equivalent receivable from the borrower. This receivable bears interest at 10% per annum, is evidenced by a demand promissory note and, upon termination of the Loan and the pledge agreement, will be secured by 2,300,000 shares of the Company until all payments of principal and interests owed to the Company are made. This receivable will be recorded at fair value by the Company only when its collectability is reasonably assured.

(In thousands of Canadian dollars except for number of shares)

The Company risks losing a maximum amount of $1,873 plus interest and penalties, without taking into consideration the net proceeds arising from the disposal of the 9,500,000 pledged shares of the Company. The Company has not required any consideration in exchange for this Guarantee. As at December 31, 2008, the Loan had an outstanding balance of $US 1,374,593 and is repayable in full by December 11, 2009. As at December 31, 2008, the Company had recognized an amount of $189 as a loss for amounts already disbursed to the borrower and in addition, estimated that there was a likelihood of having to make additional payments under the Guarantee which would amount to $951. As such, a total amount of $951 had been accrued as at December 31, 2008, under accounts payable and accrued liabilities.

Since December 31, 2008, the Company has made payments under the Guarantee amounting to $US 222,200. These payments have been adjusted against the year-end accrual leaving a sum of $671 in accruals, relating to potential future payments under the Guarantee.

12. Capital disclosures

The Company's capital consists of cash, bank loan, loans payable, long-term debt and shareholders' equity.

		March 31, 2009		**December 31, 2008**
Bank loan	**$**	**911**	$	911
Loans payable		**2,550**		-
Long-term debt		**2,687**		3,949
Equity		**(1,747)**		1,413
Cash		**(424)**		(917)
	$	**3,976**	$	5,356

The Company's objectives in managing capital is to ensure a sufficient liquidity position to finance its research and development activities, administration and marketing expenses, working capital and overall capital expenditures, including those associated with patents and trademarks. The Company makes every effort to manage its liquidity to minimize dilution to its shareholders, whenever possible.

To meet the objectives in managing capital, the Company may attempt to issue new shares, to draw cash under the equity draw down facility or to seek additional debt financing. The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended December 2008.

(In thousands of Canadian dollars except for number of shares)

13. Information included in the consolidated statement of operations and comprehensive income

	Quarters ended March 31, 2009	2008
Gross research and development expenses	**$ 3,751**	$ 4,850
Research and development tax credits	**(75)**	(173)
Interest on long term debt	**2**	1
Interest on bank loan and other interests expenses	**437**	698
	439	700
Interests income on financial assets held for trading	**(14)**	(6)

(In thousands of Canadian dollars except for number of shares)

14. Financial Instruments and financial risk management

a) Financial instruments: The Company has classified its financial instruments as follows:

	March 31, 2009	December 31, 2008
Financial assets		
Held for trading		
Cash measured at fair value	**$ 424**	$ 917
Cash subject to certain limitation, measured at fair value	**73**	72
	497	989
Loans and receivables		
Accounts receivable, recorded at amortized cost	**2,652**	2,919
Excess of the interest in the joint venture of Pathogen Removal and Diagnostic Technologies, measured at amortized cost	**3,243**	2,885
	5,895	5,804
Held to maturity		
Guaranteed investment certificates, recorded at amortized cost	**364**	360
Available-for-sale		
Convertible preferred shares of AM-Pharma, recorded at cost	**270**	268
Financial liabilities		
Other financial liabilities		
Bank loan, loans payable, accounts payable and accrued liabilities, measured at amortized cost	**$ 10,766**	$ 8,023
Long-term debt, measured at amortized cost	**2,687**	3,949
Preferred shares retractable at the holder's option, measured at amortized cost	**4,691**	4,348
	18,145	16,320

b) Fair value

The carrying value of cash, accounts receivable, guaranteed investment certificate, cash subject to certain limitations, bank loan, loans repayable, accounts payable and accrued liabilities equals their fair value because of the near-term maturity of these instruments.

The fair value of the investment AM-Pharma Holding B.V. was not readily determinable because it is a private company.

The fair value of the excess of the interest in the joint venture PRDT over proportionate share in consolidated net assets and preferred shares retractable at the holder's option cannot be determined because these are shares of a private joint venture company at the pre-commercial stage and because it is not possible to determine in which period these shares may be redeemed.

c) Financial risk management

The Company has exposure to credit risk, liquidity risk and market risk.

The Company's Board of Directors has the overall responsibility for the oversight of these risks and reviews the Company's policies on an ongoing basis to ensure that these risks are appropriately managed.

i) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer, partner or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash, investments and receivables. The carrying amount of the financial assets represents the maximum credit exposure.

The financial instruments that potentially expose the Company to credit risk are primarily cash, trade accounts receivable and the excess of interest in the joint venture PRDT over proportionate share in consolidated net asset.

The Company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance.

The company places its cash in titles of high quality issued by government agencies and financial institutions and diversifies its investment in order to limit its exposure to credit risk while applying implemented investment guidelines in place.

The reserve for doubtful accounts as at March 31, 2009 totals $ 630. As at December 31, 2008, it amounted to $ 620.

The Trade accounts receivable include amounts from three customers which represents approximately 60 % (23%, 19% and 18% respectively) of the Company's total trade accounts receivable as at March 31, 2009 and four customers representing 78 % (31 % 18 %, 15 % and 14 % respectively) of total trade receivable as at December 31, 2008.

The Company derives significant revenue from certain customers. As at March 31, 2009 there were two customers who individually accounted for 43% and 33% of revenues respectively. As at March 31, 2008, three customers represented 34%, 20% and 9 % respectively.

(In thousands of Canadian dollars except for number of shares)

ii) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. To the extent that the Company does not believe it has sufficient liquidity to meet its current obligations, the management considers securing additional funds through equity, debt or partnering transactions. The Company manages its liquidity risk by continuously monitoring forecasts and actual cash flows.

The cash flows payable in respect to the contractual terms of the financial liabilities at the balance sheet date are as follows:

	As at March 31, 2009				
	Less than 3 months	**3 - 6 months**	**6 months to 1 year**	**More than 1 year**	**Total**
Bank loan	$911	-	-	-	$911
Accounts payable and accrued liabilities	6,915	391	-	-	7,306
Other loans	541	-	2,009	-	2,550
Long-term debt	1,753	590	16	42	2,401
Preferred shares, retractable at the holder's option	4,691	-	-	-	4,691
	$14,810	**$981**	**$2,025**	**$42**	**$17,858**

This table only covers liabilities and obligations, and does not anticipate any of the income associated with assets or rights.

iii) Market risk:

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income or the value of its financial instruments.

a) Interest risk

The majority of the Company's debt is at fixed rate, there is limited exposure to interest rate risk.

b) Foreign exchange risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in the United Kingdom and in the United States and portion of expenses incurred and revenues generated are in US dollar and in sterling pound. Financial instruments potentially exposing the Company to foreign exchange risk consist principally of cash, receivables, accounts payable and accrued liabilities and long-term debt. The Company manages the foreign exchange risk by holding foreign currencies on hand to support foreign currencies forecasted cash outflows and the majority of the

(In thousands of Canadian dollars except for number of shares)

Company's revenues are in US dollar and in sterling pound which mitigates the foreign exchange risk.

As at March 31, 2009, the Company is exposed to currency risk through the following assets and liabilities denominated respectively in US dollar and sterling pound.

In US dollar	March 31, 2009	December 31, 2008
Cash	**62,672**	418,952
Accounts receivable	**1,411,341**	2,083,503
Accounts payable and accrued liabilities	**(3,025,642)**	(2,785,866)
Long term debt	**(2,110,731)**	(3,199,789)
Net exposure	**(3,662,360)**	(3,483,200)

In sterling pound	March 31, 2009	December 31, 2008
Cash	**4,105**	199,661
Accounts receivable	**435,315**	68,142
Accounts payable and accrued liabilities	**(1,319,498)**	(636,156)
Repayable grant	**(300,000)**	-
Net exposure	**(1,180,078)**	(368,353)

Based on the above net exposures as at March 31, 2009, and assuming that all other variables remain constant, a 10 % depreciation or appreciation of the Canadian dollar against the US dollar would result in a decrease or an increase of the net loss of US$366,236.

A 10 % depreciation or appreciation of the sterling pound would result in a decrease or an increase of the net loss of 118,008 sterling pound.

The Company has not hedged its exposure to currency fluctuations.

(In thousands of Canadian dollars except for number of shares)

15. Additional information on the consolidated statement of cash flow

	Quarters ended March 31, 2009	2008
a) Change in working capital items		
Accounts receivable	**$ 160**	$ 297
Inventories	**(165)**	(182)
Prepaid expenses	**55**	8
Accounts payable an accrued liabilities	**213**	1,505
Payable related to a lawsuit	-	(108)
Deferred revenues	**70**	(426)
	$ 333	$ 1,094

	Quarters ended March 31, 2009	2008
b) Non-cash transaction		
Unpaid additions to capital assets and licenses and patents	**$ 210**	$ 523
Excess of the interest in the joint venture PRDT over the proportionate share in the consolidated net assets	**357**	340
Preferred shares retractable at the holder's option	**343**	399
Unpaid share issue expenses	**126**	123
Unpaid interests related to the long-term debt	**198**	-

16. Segmented information:

The financial information is presented in two different operating segments.

The two operating segments are: Therapeutics and Protein Technologies

Therapeutics: This operating segment has two lead compounds, PBI-1402 and PBI-1393, in progressing clinical trials, both of which address unmet needs of cancer patients undergoing chemotherapy.

Protein Technologies: This operating segment contains the financial information of these activities:

(In thousands of Canadian dollars except for number of shares)

BioTherapeutics: It is the developer of a unique, validated, state-of-the-art solution for plasma fractionation, the Plasma Protein Purification System (PPPS).

Bioseparation : It develops and markets bioseparation products based on applications of its patented Mimetic Ligand™ technology.

Animal Care : The long term goal is to use the validated PRDT technology for prion reduction in the search for a diagnostic that would certify live cattle as BSE-tested.

a) Revenues and expenses by operating segments:

Quarter ended March 31, 2009

	Therapeutics	Protein Technology	Corporate	Total
Revenues	17	3,830	-	3,847
Costs of good sold	-	421	-	421
Research and development expenses rechargeable	-	461	-	461
Research and development expenses	949	2,266	-	3,215
Administration and marketing expenses	-	153	1,149	1,302
Amortization of capital assets	37	165	10	212
Amortization of licenses and patents	25	71	-	96
Interest expenses	20	402	18	440
Interest revenues	(1)	(2)	(12)	(15)
Gain on exchange rate	-	-	(250)	(250)
Net loss	1,013	107	915	2,035

(In thousands of Canadian dollars except for number of shares)

Quarter ended March 31, 2008

	Therapeutics	Protein Technology	Corporate	Total
Revenues	8	1,750	-	1,758
Costs of good sold	-	151	-	151
Research and development expenses rechargeable	-	476	-	476
Research and development expenses	1,284	2,917	-	4,201
Administration and marketing expenses	-	33	1,354	1,387
Amortization of capital assets	47	209	16	272
Amortization of licenses and patents	29	77	-	106
Interest expenses including penalties related to a lawsuit	23	3	841	867
Interest revenues	(2)	(4)	-	(6)
Loss on exchange rate	-	-	440	440
Gain on disposal of capital assets	(353)	-	-	(353)
Net loss	1,020	2,112	2,651	5,783

b) Revenues by geographic segment [1]

	Quarters ended March 31,	
	2009	2008
United States	**$ 3,517**	$ 426
Italy	**108**	592
Australia	**81**	-
Austria	**77**	351
United Kingdom	**28**	50
Canada	**17**	49
Brazil	**-**	216
Germany	**-**	40
Denmark	**-**	32
Other	**19**	2
	$ 3,847	$ 1,758

(1) Revenues are attributed to countries based on location of customer and not on location of subsidiaries

(In thousands of Canadian dollars except for number of shares)

c) Assets by operating segments

	March 31, 2009	December 31, 2008
Therapeutics	$ **4,205**	$ 4,268
Protein Technologies	**9,350**	11,043
Corporate	**4,337**	3,841
	$ **17,892**	$ 19,152

d) Assets by geographic segment

	March 31, 2009	December 31, 2008
Canada	$ **9,857**	$ 9,453
United States	**1,929**	1,567
United Kingdom	**6,105**	8,132
	$ **17,892**	$ 19,152

e) Capital assets and licenses and patents by operating segments

	March 31, 2009	December 31, 2008
Therapeutics	$ **2,403**	$ 2,469
Protein Technologies	**3,784**	4,814
Corporate	**137**	147
	$ **6,324**	$ 7,430

f) Capital assets and licenses and patents by geographic segment

	March 31, 2009	December 31, 2008
Canada	$ **2,721**	$ 2,807
United States	**1,116**	1,140
United Kingdom	**2,488**	3,483
	$ **6,324**	$ 7,430

(In thousands of Canadian dollars except for number of shares)

g) Acquisition of capital assets and licenses and patents by operating segments

	March 31, 2009	December 31, 2008
Therapeutics	**$ -**	$ 347
Protein Technologies (note 1)	**(1,475)**	266
Corporate	**-**	22
	$ (1,475)	$ 635

Note 1: Included in Protein Technologies is a sum of $1,509 resulting from the adjustment related to Foreign Exchange method described in note 2

h) Acquisition of capital assets and licenses and patents by geographic segment

	March 31, 2009	December 31, 2008
Canada	**$ -**	$ 369
United States	**-**	20
United Kingdom (note 1)	**(1,475)**	246
	$ (1,475)	$ 635

Note 1: Included in Protein Technologies is a sum of $1,509 resulting from the adjustment related to Foreign Exchange method described in note 2