

## **FOR IMMEDIATE RELEASE**

### **Contact information:**

**Noonan/Russo Communications Inc.**  
(212) 696-4455  
Press: Lynn Blenkhorn, ext. 241  
Investors: Sharon Weinstein ext. 334  
www.noonanrusso.com

**ProMetic Life Sciences Inc.**  
Pierre Laurin  
President and CEO  
(514) 496-2115  
www.prometic.com

### **ProMetic announces its results for the first quarter ending March 31, 2001**

- Consolidation of its technology and strategic repositioning -

**Montreal, May 30, 2001** - ProMetic Life Sciences Inc. (ProMetic; PLI on the Toronto Stock Exchange), www.prometic.com, today announced its results for the first quarter ending March 31, 2001. First quarter revenues were \$377,493, compared with \$871,286 for the first quarter of 2000. Net loss for the quarter ending March 31, 2001 was \$1,671,912 or \$0.03 per share, compared with \$1,031,525 or \$0.02 per share for the first quarter of 2000. The variance is primarily attributable to a temporary delay experienced by one of ProMetic's customers in its R&D program. ProMetic anticipates that the delay will be resolved and the revenues will be realized within the financial year 2001.

Mr. Andre Bedard, CFO, commented, "ProMetic's overall program is progressing. Because much of our current business is developmental in nature, revenues will continue to vary on a quarterly basis" said Mr. Andre Bedard, CFO. "As our strategic alliances materialize the Company expects revenues for 2001 to show a positive increase over last year", added Mr. Bedard.

### **Quarterly Highlights**

The Corporation maintained its objectives including the signing of agreements with strategic partners and consolidation of its intellectual property.

- Successful negotiations leading to a strategic alliance with Merck KGaA, Darmstadt, Germany, for the purification of monoclonal antibodies (mAbs).
- A ruling by the European Patent Office validating the Arriva-ProMetic's patent position on recombinant alpha 1-antitrypsin (rAAT) and other protease inhibitors for the treatment of inflammatory skin conditions.

## Expenses

Total expenses before research and development, depreciation of capital assets and financial expenses came to \$832,872 for the quarter ending March 31, 2001, compared with \$753,012 for the same quarter in the year 2000. The discrepancy was caused mainly increased business development expenses.

Development expenses rose to \$1,123,206 during the quarter, compared with \$1,013,609 for the quarter ending March 31, 2000. This increase is due to the enhancement of various ongoing development projects in order to more speedily reach the clinical study and marketing stages.

The Corporation continues to exercise strict control over the full range of its operating expenses and the cost of its investments in capital assets while at the same time promoting the expediting and development of its R&D projects.

	<b>As at March 31, 2001 (\$)</b>	<b>As at December 31, 2000 (\$)</b>
Cash, cash equivalents, investments	2,392,869	4,270,316
Cash, cash equivalents, investments <b>pro-forma (1)</b>	4,388,982	4,270,316
Shareholders' equity	10,663,011	12,334,923
Shareholders' equity <b>pro-forma (1)</b>	12,659,124	12,334,923

(1): Giving effect to financing described in Note 4 to the Balance Sheet

	<b>1<sup>st</sup> quarter ending March 31 (\$)</b>	
	<b>2001</b>	<b>2000</b>
Revenues	377,493	871,286
Net loss per share	\$0.03	\$0.02

## Balance sheet and cash-flows

Giving effect to the financing described at Note 4 of the Balance Sheet, the cash position as well as the shareholders' equity are maintained at the same level as at December 31, 2000.

ProMetic Life Sciences Inc. (TSE: PLI), with headquarters in Montreal, Quebec, and additional facilities in the UK, owns proprietary enabling technology essential for use in therapeutics, large-scale drug purification, chemical genomics and proteomics, drug delivery and drug development. This existing technology can dramatically lower costs, increase yield, and improve efficacy of existing and new bi-pharmaceutical products. ProMetic accomplishes this through strategic partnerships and in-house therapeutic development.

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.

Consolidated Financial Statements of  
(unaudited)  
**PROMETIC LIFE SCIENCES INC.**

For the first quarter ended March 31, 2001

**PROMETIC LIFE SCIENCES INC.**  
(unaudited)

For the first quarter ended March 31, 2001

**Financial Statements**

1. Consolidated Balance Sheets
2. Consolidated Statements of Operations and Deficit
3. Consolidated Statements of Cash Flows
4. Notes to consolidated financial statements

PROMETIC LIFE SCIENCES INC.

CONSOLIDATED BALANCE SHEETS

	<b>March 31,</b>	<b>December 31,</b>
	<b>2001</b>	<b>2000</b>
	<b>(unaudited)</b>	<b>(audited)</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents (note 4)	\$ 2,392,869	\$ 2,270,316
Short-term Investments	-	2,000,000
Accounts receivable	477,606	524,133
Inventories	268,378	300,594
Prepaid expenses	183,286	172,659
	<u>3,322,139</u>	<u>5,267,702</u>
Capital assets	3,584,628	3,620,386
Deferred development costs	3,086,866	3,018,104
Investment	<u>2,281,245</u>	<u>2,281,245</u>
	<u>\$ 12,274,878</u>	<u>\$ 14,187,437</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,524,306	\$ 1,741,756
Current portion of long-term debt	87,561	110,758
	<u>1,611,867</u>	<u>1,852,514</u>
Long-term debt	0	-
Due to shareholders	-	-
Shareholders' equity		
Share capital	64,432,379	64,432,379
Deficit	<u>(53,769,368)</u>	<u>(52,097,456)</u>
	10,663,011	12,334,923
Subsequent event (note 4)		
	<u>\$ 12,274,878</u>	<u>\$ 14,187,437</u>

PROMETIC LIFE SCIENCES INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

(unaudited)

	Quarters Ended		Three-month period ended	
	March 31		March 31	
	2001	2000	2001	2000
Revenues	\$ 377,493	\$ 871,286	\$ 377,493	\$ 871,286
Expenses before the undernoted items:	832,872	753,012	832,872	753,012
Research and development expenses	1,123,206	1,013,609	1,123,206	1,013,609
Depreciation of capital assets	149,656	115,120	149,656	115,120
Net financial expenses (revenues)	(56,329)	21,070	(56,329)	21,070
Loss from operations	1,671,912	1,031,526	1,671,912	1,031,526
Deficit, beginning of the period	52,097,456	45,785,821	52,097,456	45,785,821
Share issue expenses	-	129,202	-	129,202
Deficit, end of period	\$ 53,769,368	\$ 46,946,548	\$ 53,769,368	\$ 46,946,548
Loss per share	\$ 0.03	\$ 0.02	\$ 0.03	\$ 0.02
Weighted average number of outstanding shares (in thousands)	59,957	50,364	59,957	50,364

PROMETIC LIFE SCIENCES INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS  
(unaudited)

	Three-month period ended March 31, 2001	Three-month period ended March 31, 2000
Cash flows from operating activities:		
Net loss	\$ (1671912)	\$ (1031525)
Adjustments to reconcile net loss to cash flows used by operating activities:		
Amortization and write-off of deferred development costs	5623	0
Depreciation of capital assets	149656	115120
Cash flows used in operating activities	(1516633)	(916405)
Net change in non-cash operating working capital items	(149334)	(591459)
	(1665967)	(1507864)
Cash flows from financing activities:		
Proceeds from share issues and subscription	0	4284901
Share issue expenses	0	(129202)
Repayment of long-term debt	(23197)	(24679)
	(23197)	4131020
Cash flows from investing activities:		
Disposal of short-term investments	2000000	0
Additions to capital assets	(113898)	(292198)
Deferred development costs	(74385)	(153621)
	1811717	(445819)
Increase in cash and cash equivalents	122553	2177337
Cash and cash equivalents, beginning of period	2270316	781662
Cash and cash equivalents, end of period	\$ 2392869	\$ 2958999
Other information related to cash flows:		
Interests paid during the period	\$ 3414	\$ 9349
Interests received during the period	33428	3449

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

### 1- Basis of presentation:

The unaudited consolidated balance sheet as of March 31, 2001 and the related unaudited consolidated statements of operations and deficit and cash flows for the three-month periods ended March 2000 and 2001, 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, 2000 included in the Company's annual report to shareholders.

### 2- Comparative figures:

Comparative figures have been reclassified in order to conform with the current period's presentation.

### 3- Segmented information:

ProMetic is a leading biopharmaceutical company engaged in the research, development, manufacturing and commercialisation of a variety of commercial applications from its platform technology. ProMetic owns proprietary enabling technology essential for use in large-scale drug purification proteomics, medical applications and therapeutics.

Revenues by geographic segment are as follows:

	2001	2000
United States	\$ 230,439	\$ 462,939
United Kingdom	49,353	527,365
Europe (excluding United Kingdom)	59,422	-
Other	38,279	-
Canada	-	-
Intersegment sales	-	(119,018)
	<u>\$ 377,493</u>	<u>\$ 871,286</u>

Net losses by geographic segment are as follows:

	2001	2000
Canada	\$ 356,848	\$ 435,939
United States	280,999	47,505
United Kingdom	1,034,065	548,525
	\$ 1,671,912	\$ 1,031,525

Assets by geographic segment are as follows:

	2001	2000
Canada	\$ 39,367,504	\$ 24,204,223
United States	3,972,099	2,887,190
United Kingdom	3,579,887	789,273
Intersegment eliminations	(34,644,612)	(17,829,515)
	\$ 12,274,878	\$ 10,051,171

Capital assets by geographic segment are as follows:

	2001	2000
Canada	\$ 954,107	\$ 927,647
United States	37,438	72,339
United Kingdom	2,593,083	2,545,084
	\$ 3,584,628	\$ 3,545,070

Capital expenditures by geographic segment are as follows:

	2001	2000
Canada	\$ 20,670	\$ 22,127
United States	-	4,182
United Kingdom	93,228	265,889
	\$ 113,898	\$ 292,198

#### 4- Subsequent event

On March 16, 2000, the Company closed a financing of 3,629,295 units, each unit comprised of one Subordinate Voting Share and one-half of a Warrant, for a total of 1,814,648 Warrants. Each Warrant entitled the holder to purchase one Subordinate Voting Share, at a price of \$1.10 per share.

The Company will soon issue 1,814,648 Subordinate Voting Shares at a price of \$1.10 per share for aggregate gross proceeds of \$1,996,113.

Giving effect to this financing, the Cash and cash equivalents line item a the March 31, 2001 Balance Sheet would have been \$4,388,982.