

Press Release

ProStrakan Group plc

Completion of Refinancing Agreement

Galashiels, UK. 13th January 2011 – ProStrakan Group plc (LSE: PSK) announces that the Refinancing Agreement with Paladin Labs Inc (TSX: PLB) relating to ProStrakan's £50m (CDN\$77.2m) secured debt facility outlined in the proposals contained in the circular to shareholders dated 21st December 2010 ("the circular") and approved by shareholders at the General Meeting held on 7th January 2011, became unconditional and formally completed yesterday, 12th January 2011. As a consequence, and as outlined in the circular, Jonathan Goodman, president and CEO of Paladin, joins the board of directors of ProStrakan with immediate effect.

Ends

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About ProStrakan:

ProStrakan Group plc is a rapidly growing specialty pharmaceutical company engaged in the development and commercialisation of prescription medicines for the treatment of unmet therapeutic needs in major markets.

ProStrakan's head office is located in Galashiels in Scotland. The company's development capabilities are centred in Galashiels and Bedminster, New Jersey, USA. Sales and marketing of ProStrakan's portfolio of products are handled by commercial subsidiaries in the UK, US, France, Germany, Spain, Italy and other EU countries.

You can learn more about ProStrakan's business at: www.prostrakan.com