

Chlorion Pharma Inc. Closes C\$6.0 million Financing Round

Quebec, QC, October 15, 2007 – Bio-Innovation, AgeChem and CTI Life Sciences , three companies specialized in venture capital financing for biotechnology companies , invested \$2 million each in Chlorion Pharma Inc. Founded in Quebec City in 2004, Chlorion specializes in the research and development of new therapeutic molecules to treat certain disorders of the nervous system , including epilepsy and neuropathic pain (a form of chronic pain caused by nerve damage) and some neuropsychiatric diseases for which patient needs are unmet .

The new class of analgesic developed by Chlorion result of research conducted jointly in McGill and Laval universities by the three founders and doctors Jeffrey Coull, Martin Gagnon and Yves De Koninck . A new action mechanism responsible for neuropathic pain was discovered by Dr. Coull part of his doctoral studies under the direction of Dr. De Koninck . Dr. Coull has also received several awards in connection with the results of his research, including NSERC Doctoral Prize 2006 awarded to the best researchers enrolled in doctoral science and engineering . Chlorion's new therapeutic molecules help regulate the level of chlorine in the neurons of the spinal cord , and thus reduce neuropathic pain associated with an imbalance of chloride ions.

The funding received will allow the new company to continue its development program for the treatment of neuropathic pain , including the filing of an IND (Investigational New Drug) expected during 2009. A second program related to epilepsy also currently pursuing in collaboration with the Anticonvulsant Screening Program of the U.S. National Institutes of Health.

More than 120 million people currently suffer from neurological or neuropsychiatric diseases in the G7 . Only 33 % of these people receive some form of treatment. In 2004 , sales of therapeutic products related to neurology were \$ 45 billion .

“The science team Chlorion is impressive and the target market for the new classes of analgesics appears very promising , says Jean -Maurice Plourde, President and CEO of Gestion Bio -Innovation inc. and CQVB . These are two factors that led the Bio-Innovation Fund to help this young and innovative company in the sector of life sciences , ” he adds .

“We are proud to have been the first group of venture capital to show an interest in Chlorion and have managed to assemble a syndicate of investors first . In addition to the three original investors , other influential groups already indicated their interest in joining us , “says Dr. Martial Lacroix , Senior Associate at AgeChem .

” We were impressed by the innovative scientific approach pursued by the team Chlorion Pharma and progress to date with few resources , evidence of the skill and leadership of its members” , specifies meanwhile Jean- François Leprince , associate director of fund CTI Life Sciences .

” Chlorion is pleased to partner with the Bio-Innovation Fund and other highly respected organizations in Quebec , says Dr. Jeffrey Coull , President and Chief Executive Officer Acting Chlorion Pharma.

We are confident that by working together we can have a really significant impact on therapeutic approaches for terrible diseases such as pain and epilepsy, ” it added .

About the Fonds Bio-Innovation

Bio-Innovation Fund is a limited partnership whose general partner is Gestion Bio -Innovation inc. , A subsidiary of CQVB . Its backers are the Fonds de Solidarité FTQ and CQVB . Bio-Innovation Fund l.p. provides funding for biotech start-ups in Quebec for business structuring , establishing proof of concept , the development of prototypes , intellectual property protection, identification of competitive advantages , market niches and commercialization strategy.

About AgeChem

The Partnership AgeChem invests in companies developing innovative therapies to treat age-related diseases , such as metabolic diseases (diabetes , obesity) , cardiovascular , inflammatory (rheumatoid arthritis, psoriasis), cancers, nervous system disorders central (Alzheimer, Parkinson , insomnia) . The management staff AgeChem has extensive experience in venture capital funding from public and private companies.

About CTI Life Sciences

CTI Life Sciences Fund is a \$ biotechnology companies dedicated to the pre-boot stage or preclinical development 100 million. The team of professionals in science and finance CTI has extensive operational experience in the biotechnology and pharmaceutical industry. Very active in companies , CTI works closely with entrepreneurs to develop and enhance the value of these young biotechnology companies.

About Chlorion Pharma Inc.

Chlorion Pharma , Inc. is a privately held company that specializes in the development of a new generation of small molecule therapeutics that act by restoring the balance of chloride in the central nervous system. Currently , the company is working on new drugs for the treatment of neuropathic pain , epilepsy and other disorders of the central nervous system.