

FOR IMMEDIATE RELEASE

TSX-V: PGA

PACGEN COMPLETES PATIENT RECRUITMENT FOR PHASE I/II TRIAL OF NOVEL ANTI-FUNGAL DRUG

Vancouver, BC, Canada (March 15, 2007) – Pacgen Biopharmaceuticals Corporation (“Pacgen”) (TSX-V: PGA) announced today that it has completed the recruitment of patients in its Phase I/II study of PAC-113, a novel anti-fungal drug, in immunocompromised patients. The Company is on track to report proof of efficacy results from this study early in the second quarter of 2007.

PAC-113 is a peptide-based anti-fungal targeting oral candida infections in immunocompromised patients. The Phase I/II clinical trial of PAC-113 is being conducted at sites in the United States and South Africa and has now successfully recruited over 90 HIV patients. The trial will establish preliminary proof of efficacy for PAC-113 in eliminating clinical signs and symptoms of oral candidiasis, as well as provide additional safety data. The microbiological response of *Candida albicans* to PAC-113 will also be evaluated.

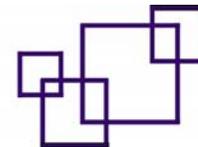
The Phase I/II study is a head-to-head comparison between PAC-113 mouthrinse and Nystatin oral suspension, with intent to treat oropharyngeal candidiasis. The study is a randomized, examiner-blinded, parallel design clinical trial that includes a 14-day treatment phase, and a 14-day follow-up period, with a day 28 follow-up visit. Subject to positive results from this study, the Company plans to initiate a Phase IIb study in immunocompromised patients, to establish the optimal dose of PAC-113, in the fourth quarter of 2007.

Candida Infection

Opportunistic growth of candida occurs in people with defective immune systems, and can be life-threatening if not treated. *Candida albicans* is the most common fungal pathogen among immune-compromised, hospitalized patients, accounting for roughly 50-60% of all bloodstream fungal isolates. Localized candida infections can cause great discomfort, and if not treated, can spread from the primary site of infection through the blood stream to cause a disseminated infection. Disseminated fungal infections are associated with a high mortality rate.

About Pacgen

Pacgen is a life sciences company focused on the development of peptide therapeutics for the treatment of infectious and inflammatory diseases. The Company’s lead product, PAC-113, is an anti-fungal in a Phase I/II clinical trial. Preliminary efficacy data from this study is expected in the second quarter of 2007. Pacgen also has candidates in an early stage research program. The most advanced of these candidates is a peptide therapeutic, PAC-G31P, which is currently being investigated in preclinical studies for its potential to treat inflammatory diseases such as acute



respiratory distress syndrome. For additional information, please visit www.pacgenbiopharm.com.

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