



**FOR IMMEDIATE RELEASE**

**TSX-V: PGA**

## **PACGEN CLOSSES \$903,000 PRIVATE PLACEMENT EQUITY FINANCING**

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**Vancouver, BC, Canada (March 17, 2008)** – Pacgen Biopharmaceuticals Corporation (the “Company” or “Pacgen”) (TSX-V: PGA), a life sciences company focused on the development of therapeutics for the treatment of infectious and inflammatory diseases, today announced that it has closed an offering of 4,515,000 units of the Company (the “Units”) at a price of \$0.20 per Unit for gross proceeds to the Company of \$903,000 (the “Offering”).

Each Unit consists of one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.30 for a period of 5 years from the date of issue. The Offering and sale of the Units were conducted pursuant to exemptions from the prospectus and registration requirements of securities legislation in Canada and the United States and the common shares and common share purchase warrants issued under the Offering are subject to hold periods under such legislation, which hold periods expire in Canada on July 18, 2008 and expire in the United States in accordance with U.S. securities legislation.

Pacgen’s management team and Board of Directors subscribed for an aggregate of 1,887,100 Units in the Offering. Ferghana Partners Group (“Ferghana”) assisted the Company in connection with the completion of the Offering pursuant to its engagement by the Company. In connection with the Offering, Ferghana received 107,730 Units as compensation units. Ferghana also received a broker warrant entitling Ferghana to purchase an additional 34,200 Units of the Company at a price of \$0.22 per Unit for a period of two years from the date of issue (the “Agent Units”). The common shares and common share purchase warrants comprising the Units issued to Ferghana and the Agent Units, if issued, are subject to hold periods under the securities legislation of Canada and the United States, which hold periods expire in Canada on July 18, 2008 and expire in the United States in accordance with U.S. securities legislation.

The proceeds of the Offering will be used for the continued clinical development of PAC-113, working capital and general corporate purposes.

Pacgen also announced that Dr. David Cheng has resigned as an officer and director of the Company for personal reasons.

This press release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the U.S. Securities Act of 1933 or any state securities laws and may not be offered or sold within the United States

unless registered under the U.S. Securities Act of 1933 and applicable state securities laws or an exemption from such registration is available.

## **About Pacgen**

Pacgen is a life sciences company focused on the development of therapeutics for the treatment of infectious and inflammatory diseases. The Company's lead product, PAC-113, is an anti-fungal in a Phase II clinical program. Pacgen also has candidates in an early stage research program. The most advanced of these candidates is a novel peptide therapeutic, PAC-G31P, which is currently being investigated in preclinical studies for its potential to treat inflammatory diseases characterized by non-beneficial neutrophil recruitment and activation. For additional information, please visit [www.pacgenbiopharm.com](http://www.pacgenbiopharm.com).

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## **Forward looking Statements**

Certain statements included in this press release may be considered forward-looking. Statements relating to, among other things, anticipated financial performance, business prospects, strategies, regulatory developments, market acceptance and future commitments constitute forward-looking statements. All forward-looking statements are based on Pacgen's current beliefs and expectations as well as assumptions relating to the successful and timely completion of its ongoing Phase II clinical trial and pre-clinical studies, the time and process required to obtain regulatory approval for commercialization of its product, the ability of Pacgen to raise additional capital in future on favourable terms, the impact of competitive products and pricing in the market, new product development, and the successful and timely completion of corporate collaborations or licensing arrangements for its research programs. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, level of activity, performance or achievements to be materially different from those implied by such statements, and therefore these statements should not be read as guarantees of future performance or results. Such factors include, among others, our stage of development, lack of product revenues, additional capital requirements, risk associated with completion of clinical trials and obtaining regulatory approval, dependence on collaborate partners, and our ability to protect our intellectual property. Wherever possible, words such as "anticipate", "believe", "expect", "may", "could", "will", "potential", "intend", "estimate", "should", "plan", "predict", "project" or the negative or other variations of such expressions reflect Pacgen's current beliefs and assumptions and are based on the information currently available to Pacgen. Certain risks and uncertainties, including those risk factors identified by Pacgen in its annual information form dated August 1, 2007, may cause our actual results, level of activity, performance or achievements to differ materially from those implied by forward looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which are made only as of the date of this press release. Pacgen disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. For all forward-looking statements, Pacgen claims the safe harbour for forward-looking statements within the meaning of the Private Securities Legislation Reform Act of 1995.

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