PACGEN Biopharmaceuticals Corporation

FOR IMMEDIATE RELEASE **TSX-V: PGA**

PACGEN ENTERS INTO A LETTER OF INTENT WITH MEDIGEN

Vancouver, BC, Canada (October 24, 2008) – Pacgen Biopharmaceuticals Corporation ("Pacgen" or the "Company") (TSX-V: PGA) announced today that it has entered into a letter of intent for a business combination with Medigen Biotechnology Corp. ("Medigen"), a biotech company traded over the bulletin board in Taiwan. In connection with the transaction, Pacgen would acquire all of the issued and outstanding shares of Medigen by way of share purchase or through such other transaction structure as may be determined by the mutual agreement of Medigen and Pacgen. It is anticipated that each issued and outstanding share of Medigen would be exchanged for 2.77 common shares of Pacgen issued from treasury. Following the business combination, the current shareholders of Medigen would own majority interest of the combined company. Upon entering into a definitive agreement, Pacgen and Medigen would apply to list the combined company's common shares for trading on a TSX Group exchange. The transaction remains subject to the negotiation of a definitive agreement between Pacgen and Medigen and certain other conditions.

"As previously announced, Pacgen has been evaluating several strategic options to leverage Pacgen's assets and resources. This process has led the board of directors to conclude that this proposed business combination with Medigen is the best opportunity available to Pacgen to maximize our shareholder value." said Chung-Yu Wang, Chairman of Pacgen. "We are particularly pleased that the combined company will provide a business platform to leverage expertise and business networks in both the North American and Asian regions" added Mr. Wang.

"Medigen is excited about the opportunities this merger brings." said Dr. Stanley Chang, Chairman and CEO of Medigen. "We share the optimism around the development pipeline of Pacgen, with particular interest in PAC-113."

The Transaction

The board of directors of Pacgen has unanimously approved the execution of the letter of intent. The companies have agreed to an exclusivity period that will expire November 20, 2008 in which to complete due diligence, work toward a definitive agreement and during which they shall not solicit other proposals.

The transaction is expected to complete in February 2009, following receipt of all necessary shareholder and regulatory approvals. Closing of the transaction will include a share consolidation, name change, the appointment of officers, and the election of persons nominated by Medigen to the board of directors of Pacgen that are acceptable to Pacgen and satisfaction of regulatory requirements.

In connection with this proposed transaction, Duffy DuFresne, the current President and CEO of Pacgen will depart the Company to pursue other interests, effective as of October 31, 2008. Mr. DuFresne will be retained as a consultant to Pacgen.

Conditions Precedent and Required Approvals

Certain terms of the letter of intent, including those relating to the structure of the transaction and the share exchange ratio, are non-binding. The proposed transaction remains subject to the completion of due diligence, the entering into of a definitive agreement and the satisfaction of closing conditions to be included in a definitive agreement, including listing and other necessary regulatory approvals. The transaction will also be conditional upon, among other things, the approval of both the Pacgen and Medigen shareholders. The Pacgen shareholders will be asked to vote on this transaction at a Special Meeting that is expected to be scheduled on or before February 28, 2009. There can be no assurance that Pacgen and Medigen will enter into a definitive agreement or that this transaction will be completed as proposed or at all.

Following the execution of a definitive agreement, a detailed description of the structure and terms of the transaction will be contained in a proxy circular that will be mailed to Pacgen shareholders. Once mailed, the proxy circular will be available at www.sedar.com. All shareholders are urged to read the proxy circular once it is available. Investors are cautioned that, except as disclosed in the proxy circular to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon.

Trading in the securities of Pacgen should be considered highly speculative.

About Medigen

Medigen is a biotechnology company focused on the development of biopharmaceuticals for liver diseases and cancers in particular. The common shares of Medigen are traded over the bulletin board in Taiwan. With a core competence of molecular biology and clinical trial developments, Medigen has established two platforms: New Drug Development (NDD), and Nucleic Acid Testing (NAT). Medigen's NDD development pipeline contains several planned therapeutic projects that will target various stages of liver cancer. Medigen believes that the NAT platform will allow it to be become one of the global leaders in the field of molecular diagnostics. With the successful launch of Medigen's first FDA and CE Mark approved NAT product (HLA kits for A, B, C, DR, and DQ) to the global market, Medigen is further integrating automated solutions to pathogen detection in blood banks and clinical units in China and other developing countries in Asia. For additional information, please visit www.medigen.com.tw.

About Pacgen

Pacgen is a life sciences company focused on the development of therapeutics for the treatment of infectious and inflammatory diseases. Pacgen’s current development efforts are focused on PAC-113, an anti-fungal for the treatment of oral candidiasis and PAC-G31P, a novel peptide therapeutic designed to treat inflammatory diseases characterized by non-beneficial neutrophil.

PAC-113 is a 12 amino-acid antimicrobial peptide derived from a naturally occurring histatin protein found in saliva. This peptide alters the permeability of fungal cell membranes causing cell death. In June 2008, Pacgen announced positive results from its Phase IIb clinical trial demonstrating that PAC-113 is effective in the treatment of oral candidiasis and compares favourably to the efficacy demonstrated by Nystatin, a current standard of care. PAC-G31P is a small recombinant protein that is a synthetic analogue of the human cytokine called Interleukin-8 which is the key chemokine involved in neutrophil recruitment. PAC-G31P is currently being investigated in preclinical studies for its potential to treat

inflammatory diseases characterized by non-beneficial neutrophil. For additional information, please visit www.pacgenbiopharm.com.

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 completion of its clinical trials 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 collaborative partners, and our ability to protect our intellectual property.

Risks specific to the proposed business combination with Medigen include:

- failure to sign a definitive agreement regarding the potential combination of Pacgen and Medigen;
- failure to receive required transaction approvals from Pacgen's and Medigen's shareholders;
- failure to receive necessary stock exchange listing approvals and/or necessary approvals of the Canadian regulatory authorities;
- the ability of Pacgen and Medigen to satisfy all of the closing conditions to complete the transaction;
- risks associated with the development of PAC-113 and PAC-G31P as treatments of infectious and inflammatory diseases;
- market acceptance of Medigen's technologies and products assuming the successful completion of the transaction;
- Medigen's (and, assuming the approval of the arrangement, the combined company's) ability to obtain financing in the future, financial and technical resources relative to those of its competitors, ability to enforce its intellectual property rights and protect its proprietary technologies; and
- other risk factors identified from time to time in Pacgen's (and, assuming the approval of the arrangement, the combined company's) securities regulatory filings.

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 July 31, 2008, 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.

NO REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED THE CONTENT OF THIS RELEASE. THE TSX VENTURE EXCHANGE DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

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