



FOR IMMEDIATE RELEASE

TSX-V: PGA

PACGEN ANNOUNCES PRIVATE PLACEMENT FINANCING

Vancouver, BC, Canada (September 2, 2011) – Pacgen Biopharmaceuticals Corporation (the “Company” or “Pacgen”) (TSX-V: PGA) announced today that it has reached an agreement in principle with CurieMed Corporation (“CurieMed”) with respect to a non-brokered private placement (the “Financing”) of \$300,000 of common shares (“Common Shares”). Completion of the Financing is subject to satisfactory completion of certain conditions, including the approvals of the Company’s shareholders and the TSX Venture Exchange.

Under the Financing, the Company will issue an aggregate of 5,376,344 Common Shares at a price of \$0.0558 per Common Shares to CurieMed. The proceeds of the Financing will be used by the Company for working capital and for other general corporate purposes, including without limitation to support ongoing negotiations with CurieMed with respect to the potential acquisition of certain assets of CurieMed previously announced by Pacgen on March 14, 2011.

CurieMed and its parent, General Biologicals Corporation (“GBC”), collectively own an aggregate of 4,245,217 Common Shares, representing an aggregate of 10.15% of the issued and outstanding Common Shares. Following completion of the Financing, CurieMed and GBC will collectively own an aggregate of 9,621,561 Common Shares, representing an aggregate of 20.38% of the issued and outstanding Common Shares.

The Company also announced that its unaudited financial statements for the first quarter ended June 30, 2011, together with its management discussion and analysis for the same period, have been filed on the SEDAR system.

This press release does not constitute an offer to sell or a solicitation of an offer to sell any of the Common Shares in the United States. The Common Shares 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 Biopharmaceuticals Corporation is an emerging life science company with diversified portfolio covering both commercial diagnostic products as well as pharmaceutical drug candidates. Pacgen’s pharmaceutical division focuses on the commercial development of novel therapeutic drug candidates up to Phase II, proof of concept efficacy in human. Pacgen’s portfolio includes PAC-113, a Phase II 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. Pacgen's newly formed diagnostics division focuses its operations in marketing and distribution of in-vitro diagnostic products for use in hospitals, medical laboratories and research organizations in North America and China. For additional information, please visit www.pacgenbiopharm.com.

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.

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.

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 management's discussion and analysis dated July 21, 2011 and 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, except as required by law. For all forward-looking statements, Pacgen claims the safe harbour for forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995.

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