



Dalton Pharma Services and Myelin Repair Foundation Enter into a Chemistry Collaboration

Saratoga/California, Toronto/Ontario, October 22, 2008 – The Myelin Repair Foundation and Dalton Pharma Services jointly announce a chemistry collaboration to develop new potential therapeutic compounds for myelin degradation disease states such as Multiple Sclerosis (MS).

“We are pleased to have this opportunity to work with the Myelin Repair Foundation engaging our team of experts in medicinal chemistry, drug discovery and drug development to help bring novel medicines to the market. The Myelin Repair Foundation is a wonderful addition to our growing list of global relationships with leading edge science. This collaboration demonstrates our commitment to establish strategic partnerships focused on developing pharmaceutical products to treat some of the most challenging diseases affecting society today,” said Peter Pekos, President and CEO of Dalton Pharma Services.

“Our relationship with Dalton Pharma is the first of many as we build a consolidated network of contract research organizations to validate the potential therapeutic targets identified by our target discovery team and initiate the drug discovery process,” said Jay Tung, Vice President for Drug Discovery at the Myelin Repair Foundation. “This is essential work for us to prepare industry-standard data sets for consideration by commercial entities to in-license our targets,” continued Tung. “Our ability to reach our goal of licensing our first myelin repair therapeutic target by July of 2009 is dependent on our relationship with Dalton and other service providers with expertise across the breadth of target validation and early-stage drug discovery.”

About the Myelin Repair Foundation

The Myelin Repair Foundation, the world’s largest focused research effort on myelin repair, began funding myelin repair research in 2004. In four years their collaborative of U.S. laboratories, including Stanford University, Case Western Reserve University, the University of Chicago, and Northwestern University, have been conducting parallel experiments within a milestone-driven research plan. The expectation was that the team would license its first myelin repair therapeutic target for commercial development within five years. In four years the team has identified 19 new pathways and targets and 24 new research tools (models and assays). In September the U.S. Patent Office awarded the MRF’s first patent on these discoveries. Eight more patent applications are currently under consideration at this time. The MRF’s Accelerated Research Collaboration model supports myelin repair target discovery, target validation, early-stage drug discovery and in-licensing for targets that will lead to treatments. The MRF is a registered non-profit 501 (c) 3 organization.

About Dalton Pharma Services

Dalton Chemical Laboratories Inc. o/a Dalton Pharma Services is a Health Canada approved contract pharmaceutical manufacturer that supplies chemistry and analytical services to the biotechnology and pharmaceutical industries in the areas of chemistry, medicinal chemistry and fine chemical manufacture. Dalton provides cGMP manufacturing and sterile filling services to its customers at any stage of the regulatory process (Phase I, II, III or commercial). In its state of the art cGMP facilities, Dalton produces

active pharmaceutical ingredients at the gram or kilogram scale. Dalton conducts sterile fills to produce batches of finished drug product in vials or syringes, either aseptically filled or terminally sterilized, under fully validated conditions. In addition, Dalton's analytical chemistry laboratory offers method development, validation and ICH stability programs to its clients.

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