

Press Release

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GALILEO

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GALILEO GENOMICS ANNOUNCES AN ADDITIONAL CAD \$7 MILLION FINANCING THROUGH AN INVESTISSEMENT QUEBEC LOAN

Montreal – January 19, 2004 – Galileo Genomics Inc., a Montréal-based next generation genomics company, today announced that Investissement Québec, is providing a CAD\$7 million loan under its BioLevier program. Galileo will use these additional funds to accelerate the search for genes associated with more than 20 common and economically important diseases. Galileo had previously announced on January 7, 2004 an equity financing of \$11.15 million.

The objective is the discovery of "GeneMaps", groups of common interacting genes that are directly and unequivocally involved in disease-causing biochemical processes. These are expected to lead to new drug and diagnostic targets that will accelerate the progression to Personalized Medicine, through the combined use of a gene-based drug and a genetic diagnostic to treat the root causes of common diseases, and not just the symptoms.

Michel Audet, the Quebec Government's Minister of Regional and Economic Development, expressed his delight at Galileo's contribution to the development of genomics in Québec: "The pharmaceutical industry is working increasingly to develop new medicines tailored to patient genetics and Galileo's work in genomics is a response to this growing need. In addition, Galileo is a promising Québec company that has caught the attention of major Québec and foreign investors and established strategic partnerships. Today, our government reiterates its unfailing support for research and innovation in Québec, activities that are vital to the development of a competitive economy."

"We expect to be among the leaders in the discovery of genes and *GeneMaps* associated with common diseases," commented Dr. John W. Hooper, President and CEO of Galileo Genomics. "We are very pleased that the government of Quebec has decided to assist us in achieving this objective. Its contribution to our discoveries will be significant, and Investissement Québec's debt financing will assist us in expanding our research capabilities in Québec."

The company's research relies partly on the study of genetic data collected from the Québec founder population, a relatively homogeneous population of six million people largely descended from a group of approximately 2,600 ancestors that emigrated to Québec from France between 1608 and 1760. Through collaboration with over 700 clinical investigators in Quebec, Galileo has collected over 17,000 DNA samples from patients with precisely defined phenotypes and their relatives in over 20 common diseases, and expects to collect a further 18,000 such samples in the next 2 years.

About Galileo Genomics Inc.

Galileo is a next-generation genomics company dedicated to the discovery of GeneMaps, genes, and biomarkers associated with the root cause of common diseases and drug response. With over 85 employees, including 22 Ph.D. and M.D. scientists, Galileo's research relies on DNA sampling from the Quebec Founder Population, whose extensive genetic sharing and low genetic variability make this population ideal for linkage disequilibrium-based genome wide scans. Galileo's **chromozoom**[™] technology is applied for large-scale analysis of genotyping data using proprietary software to derive accurate haplotypes from trios and to compare data from hundreds of patients with that from thousands of controls from the Quebec Founder Population. The company believes **chromozoom**[™] to be the most powerful approach available today for the discovery of genes associated with common diseases or drug response. Galileo has committed to a trust fund for the benefit of Quebecers, which will receive three per cent of the company's net profits. For more information about Galileo Genomics Inc., please visit www.galileogenomics.com.

About Investissement Québec

Investissement Québec's mission is to contribute to Québec's economic growth by supporting the development of businesses in every region of Québec. The Corporation brings together a critical mass of financial expertise within the government and offers businesses a broad range of products that complement what is available from financial institutions. It also carries out government mandates, particularly with respect to prospecting for foreign investment.

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