

Press Release

Toronto, Ontario, January 26, 2006 – Further to the announcement dated December 14, 2005 regarding the agreement between MDS Capital Corp. (“MDSCC”) and Impax Capital Corp. and its affiliates (“Impax”), the previously announced transaction has closed. Effective at the closing, Impax became the sole shareholder of Medical Discovery Management Corp (“MDMC”), the manager of Canadian Medical Discoveries Fund Inc. (“CMDF”) and Canadian Medical Discoveries Fund II Inc. (“CMDF II” and together with CMDF, the “CMDF Funds”).

MDMC has provided the management of the CMDF Funds since their inception, beginning with CMDF in 1994, and will continue to manage the CMDF Funds under the existing management agreements. MDSCC will continue to provide portfolio services to the CMDF Funds under a transition services agreement, and will work closely with Impax over the next few months to ensure a smooth transition.

Impax intends to focus on managing and harvesting the investments within the CMDF Funds’ current portfolios to increase shareholder value. “We believe that the CMDF Funds’ portfolios are ideally suited to benefit from the growing support and strength of the biotech and life sciences markets, and we are excited by the opportunity to further support venture capital investment in one of the fastest growing and most dynamic sectors of the economy,” said Steve Hawkins, President of Impax.

The CMDF Funds are labour sponsored venture capital investment funds (“LSIFs”). The primary objective of the CMDF Funds is to achieve long-term capital appreciation through investments in eligible Canadian businesses engaged in the health sciences sector. CMDF is Canada’s most mature health sciences LSIF, with over \$230 million in managed assets. CMDF invests in businesses in all stages of development – from start-up through commercialization and expansion. Established in 1994 and available across Canada, CMDF has venture capital investments in approximately 80 companies involved in biotechnology, diagnostics, medical devices, drug discovery and development, health care delivery and e-health. With approximately \$20 million in managed assets, the companion fund, CMDF II, was established in 2002 and focuses on health science businesses in the later stages of development.

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