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**ARUP LABORATORIES AND SALADAX BIOMEDICAL SIGN AGREEMENT FOR
BUSULFAN ANALYTE SPECIFIC REAGENTS**

ARUP First to Offer Oncologists New Tool for Personalizing Busulfan Dosing in Cancer Patients

SALT LAKE CITY, October, 30, 2006 – ARUP Laboratories (ARUP) and Saladax Biomedical, Inc. (SBI) announced today that they have entered into a multi-year licensing agreement for novel and proprietary SBI antibodies against busulfan and other raw materials that will enable ARUP to develop a specialized test for measuring serum concentrations of the cancer chemotherapeutic agent busulfan (Busulfex[®], Myleran[®]). The busulfan test to be developed and offered by ARUP will enable more timely and cost-effective management of busulfan dosing. Under the terms of the agreement, ARUP will advance SBI an undisclosed upfront licensing fee, with additional payments for the supply of SBI materials.

Saladax will supply ARUP with the critical raw materials required to develop and validate a microtiter plate assay to measure the concentrations of busulfan in the bloodstream of patients undergoing allogeneic hematopoietic stem cell transplant (HSCT) for chronic myelogenous leukemia (CML). ARUP will be the first reference laboratory in the world to offer a busulfan blood level monitoring test based upon antibodies rather than physical methods such as high performance liquid chromatography (HPLC). Current testing methods require long lead times, often yielding results too late to adjust dose and reduce toxic side-effects of the treatment, which can be lethal in some patients.

Annually, over 60,000 hematopoietic stem cell transplants are performed worldwide, with approximately 30 percent performed in the United States. Busulfan is commonly used in the preparative regimen prior to transplant. The drug can be quite toxic, particularly in pediatric patients, for whom dose management by blood level monitoring is recommended. “Today testing is so labor-intensive that in many cases, results are obtained by oncologists too late in their patients’ therapy to adjust dosing to the optimal therapeutic range. Saladax’s antibodies will enable ARUP to offer a timely result without sacrificing accuracy, thus providing higher clinical utility,” said ARUP’s President and Chief Operating Officer Ronald L. Weiss, M.D., M.B.A.

According to SBI Chairman and Chief Executive Officer Dr. Salvatore J. Salamone, the SBI library of monoclonal antibodies against busulfan are the first ever generated. “Our antibodies have been developed to be ideally suited for blood level monitoring insofar as they are specific to the active form of the drug and do not cross-react with any known metabolites. Therefore, our materials will enable ARUP to offer high quality testing more quickly and efficiently than any other lab in the world. We are very pleased to be collaborating with ARUP in making available this clinically important service to cancer patients.”

About ARUP Laboratories

ARUP Laboratories is a national clinical and anatomic pathology reference laboratory and an enterprise of the University of Utah and its Department of Pathology. With more than 1,800 employees, ARUP offers in excess of 2,000 tests and test combinations, ranging from routine screening tests to highly esoteric molecular and genetic assays, for patients throughout the country. Rather than competing with its clients for physician office business, ARUP chooses instead to support clients' existing test menus by offering highly complex and unique tests, with accompanying consultative support, to enhance their abilities to provide local and regional laboratory services. ARUP's clients include more than half of the nation's university teaching hospitals and children's hospitals, as well as multihospital groups, major commercial laboratories, group purchasing organizations, military and government facilities, and major clinics. In addition, ARUP is a worldwide leader in innovative laboratory research and development, led by the efforts of the ARUP Institute for Clinical and Experimental Pathology™.

About Saladax Biomedical

Saladax Biomedical, Inc. is a research-based, health care diagnostics company with its main R&D and manufacturing facilities based in Bethlehem, PA. Founded in 2004, SBI is focused on the development of Personalized Chemotherapy Management (PCM) assays to test plasma levels of the most commonly used anti-cancer medicines. Final assay development is underway for the highest volume use drugs, with anticipated first FDA filing in the first quarter 2007. SBI plans to distribute its assays through strategic collaborations with leaders in the laboratory services and diagnostic products industries. For more information about SBI, please visit www.saladax.com.

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