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FOR IMMEDIATE RELEASE

MARCADIA BIOTECH, INC. AND MERCK & CO., INC. ENTER STRATEGIC COLLABORATION

INDIANAPOLIS – March 6, 2008 – Marcadia Biotech, Inc., a privately held drug development company, today announced a strategic collaboration with Merck & Co., Inc. to jointly discover, develop and commercialize novel biopharmaceutical therapies targeting the glucagon and related receptors for the treatment of diabetes and obesity.

“Merck is a world leader in the discovery of breakthrough medicines and has proven expertise in the development and commercialization of drugs that treat metabolic diseases,” said Fritz French, CEO of Marcadia. “We are excited about the opportunity to significantly leverage the research we have accomplished to date through this collaboration with Merck.”

Certain of the Marcadia intellectual property subject to the Merck collaboration was licensed from the Indiana University Research and Technology Corporation, and the company sponsors ongoing discovery research at the Indiana University Chemistry Department in Bloomington, Indiana in the therapeutic area of metabolic diseases.

“Marcadia has generated a unique collection of peptide drug candidates with potentially novel therapeutic attributes,” said Luciano Rossetti, M.D., senior vice president and franchise head, Diabetes/Obesity and Cardiovascular at Merck Research Laboratories. “This latest collaboration underscores our strategy to establish a robust early-stage pipeline that delivers superior diabetes and obesity therapies.”

Under the terms of the agreement Merck will pay Marcadia an initial upfront fee as well as payments for exclusivity and ongoing collaborative research. Marcadia will also be eligible to receive future milestone and royalty payments associated with research, development and commercialization of certain drug candidates. Merck has obtained a worldwide exclusive license to certain Marcadia development candidates and intellectual property. Marcadia will also have the right to exercise options for profit and cost sharing and co-promotion in the United States. Additional terms of the agreement were not disclosed. This transaction is subject to clearance under the United States Hart-Scott-Rodino Antitrust Improvements Act.

About Marcadia Biotech

Marcadia Biotech is a biopharmaceutical company focused on developing therapeutic products that will greatly improve the daily life of people with diabetes and obesity. Utilizing proprietary peptide chemistry, the company has a portfolio of compounds in its discovery and development pipeline. For more information about the company, visit www.marcadiabiotech.com.

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