

March 18, 2004

**TO: CREDITORS OF QBIOGENE INC.
("Debtor")**

Dear Madam/Sir,

Please take notice that on March 9, 2004, the Quebec Superior Court, sitting as Tribunal designated under the *Companies' Creditors Arrangement Act* ("CCAA"), issued an order granting the above-mentioned Debtor protection under the CCAA. **Richter & Associés Inc.** is the Court-Appointed Monitor during the period the Order is in force.

Please be advised that the Order granted by the Court stays all proceedings against the Debtor until April 8, 2004. Copies of the Order as well as of the list of creditors are attached hereto for your reference.

At present time, creditors are not required to file a Proof of Claim. In due course, we will be forwarding to the creditors the Plan of Arrangement filed by the Debtor as well as convening a creditors' meeting to vote on same.

If you need additional information, please do not hesitate to communicate with the undersigned or Isabelle Côté, CA at (514) 934-3530.

Yours truly,

RICHTER & ASSOCIÉS INC.
Court-Appointed Monitor



Per: Benoît Gingues, CA

BG/il

Encls.



Q·BIOgéné

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Montréal, March 16, 2004

Dear Suppliers and Creditors,

This is to advise you that Qbiogene Inc. (Qbiogene) obtained a Quebec Superior Court order on March 9, 2004, to restructure its operations under the protection of the Companies' Creditors Arrangement Act ("CCAA"). While a difficult decision, this legal proceeding is essential to enable us to implement changes that will ensure Qbiogene's long-term viability.

During such time that Qbiogene is under the protection of the CCAA, payments on all products and services received from the date the Petition was filed will be done according to the terms and conditions initially agreed. Only amounts owed before the filing, or by virtue of certain agreements made prior to the said filing, can not be paid and will be addressed in a Plan of Arrangement. Our intention is to submit our Plan of Arrangement in the best delays. Pursuant to the order rendered on March 9, 2004, the court has given us until April 8, 2004, to present this plan. This deadline could, however, be extended.

The Petition under the CCAA was filed at the Superior Court, in the District of Montreal, under file number 500-11-022623-041. An Order was rendered by the Honorable Justice Paul Chaput (see document attached). Subsequently, Richter will send you a notice informing you of the date that claims for sums owed must be filed under the arrangement plan.

Your continued support is very important to Qbiogene's survival for the benefit of all parties.

Yours very truly,

Steve Perrone
Chief Financial Officer

Encl.