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NEWS RELEASE**

TSX Venture: **AMF**

**AMORFIX EXTENDS EPITOPE PROTECTION TECHNOLOGY
TO DETECT SHEEP SCRAPIE PRIONS IN BLOOD**

TORONTO, ON, October 2nd, 2006 – Amorfix Life Sciences Ltd. announced today that it has adapted its Epitope Protection (EP) technology platform for detection of sheep scrapie prions in blood. The UK National Health Service (NHS) has selected sheep scrapie as an important model to validate a blood test for vCJD screening, required for the regulatory approval process. The NHS has constructed a blinded panel of blood samples from infected sheep which have endogenous sheep scrapie prions, and they will provide this panel to qualified companies. Amorfix has been approved by the NHS to receive the blinded sheep panel.

Dr. George Adams, Amorfix's CEO said, "This is an important step in the building of the regulatory filing for the approval of our EP-CJD™ test for blood screening in Europe". In addition, a blood test for scrapie can be used to eliminate infected sheep from herds worldwide and open up a new revenue generation avenue for the Company."

Dr. Neil Cashman, Amorfix's CSO, will present the results in a paper entitled "Prion Detection in Blood using the Epitope Protection Assay" at the European Network of Excellence NeuroPrion, International Conference "Prion 2006 – Strategies, advances and trends toward protection of society" held in Torino, Italy, on October 4-6, 2006.

About Amorfix

Amorfix is an emerging theranostics company focused on the diagnosis and treatment of neurodegenerative diseases, where aggregated misfolded proteins (AMPs) are prevalent. These include aggregated misfolded prion protein which makes up "prions," the infectious agents of the Transmissible Spongiform Encephalopathies (TSE), such as Bovine Spongiform Encephalopathy (BSE or "mad cow disease") and the human form, variant Creutzfeldt-Jakob Disease (vCJD), as well as degenerative diseases such as Alzheimer's Disease (AD), Amyotrophic Lateral Sclerosis (ALS) and Parkinson's Disease (PD). Amorfix was formed to commercialize epitope protection technologies and related discoveries to become the world leader on AMP diseases. The company will use this new knowledge to develop diagnostic kits, therapeutics and prophylactics for AMP diseases.

For further information, visit the website at www.amorfix.com or contact:

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