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NEWS RELEASE
TSX Venture: **AMF**

AMORFIX LIFE SCIENCES LTD. REPORTS ANNUAL RESULTS FOR FISCAL 2006

TORONTO, ON, June 12, 2006 – Amorfix Life Sciences Ltd. today announced its financial and operating results for the year ended March 31, 2006.

Fiscal 2006 and Subsequent Highlights

- Significantly advanced the development of the CJD-EP™ diagnostic assay for the detection of prions in blood:
 - In December 2005, the Company demonstrated proof-of-principle of its assay by detecting prions in the endogenous blood of animals with prion disease.
 - Entered validation process with UK government agency to access human CJD samples and validate the assay with human CJD samples.
 - Became the first commercial laboratory in Canada approved to work with tissue and blood samples containing vCJD prions.
- Expanded our diagnostic and therapeutic product pipelines:
 - Received funding investment from the Ontario Genomics Institute and initiated our Alzheimer's Disease diagnostic blood test using our Epitope Protection technology platform.
 - Acquired and exclusively licensed technologies related to SOD1, the protein that misfolds and aggregates in Amyotrophic Lateral Sclerosis (ALS) disease, for both diagnostic and therapeutic applications.
- Raised equity capital to support our expanding research and development programs:
 - Completed reverse takeover of Luxor Developments Inc. in September 2005 and began trading on the TSX Venture Exchange on October 3, 2005.
 - Raised gross proceeds of \$3 million through the sale of units at \$0.50 per unit in September 2005.
 - Raised gross proceeds of \$3.45 million through the sale of common shares at \$0.85 per share in March 2006.

“In fiscal 2006, we successfully funded, advanced and expanded the Amorfix product pipeline providing multiple opportunities for shareholder value creation”, stated Dr. George Adams, Chief Executive Officer of Amorfix. “Looking forward to 2007, our focus will be on preparing our CJD-EP™ diagnostic assay for commercialization, progressing our Alzheimer's Disease blood diagnostic assay and our ALS therapeutic program”.

Financial Results

For the year ended March 31, 2006, the net loss was \$1,967,014 compared to \$165,004 in the Comparable Period (the period from January 23, 2004 (inception) to March 31, 2005).

For the year ended March 31, 2006, research and development expenditures were \$1,100,745 compared to \$67,025 for the Comparable Period. The increase in research and development expenses in Fiscal 2006 over the Comparable Period was due mainly to the establishment of leased research facilities and hiring of additional research staff throughout Fiscal 2006 as the company progressed its CJD-EPTM assay development program. Amorfix expects to continue to expand its research group having broadened its development pipeline with its Alzheimer's Disease (AD-EPTM) ante-mortem test program and ALS therapeutic program.

For the year ended March 31, 2006, general and administrative costs were \$409,917 compared to \$96,706 in the Comparable Period. The increase in general and administrative expenses in Fiscal 2006 was due mainly to salaries, stock-based compensation, stock exchange fees and shareholder communications expenses which were not incurred in the Comparable Period.

Costs related to the reverse takeover of Luxor of \$479,693 represents the total cost of the amalgamation for both Amorfix and Luxor after netting Luxor's cash on hand of \$141,778 in accordance with reverse takeover accounting principles. Financial results for the second and third quarters of 2006 have been restated to reflect the \$479,693 expense in the statement of operations rather than as a direct charge to deficit as previously reported.

Working capital at March 31, 2006 was \$5,214,438 including cash and short-term investments of \$5,365,729 compared to \$461,389 at March 31, 2005. In the fourth quarter of 2006, the Company completed a private placement financing raising gross proceeds of \$3,450,000.

Subsequent to year end, the Company granted 100,000 stock options to David Horlington, an investor relations consultant. Mr. Horlington has held senior positions with several large securities institutions and currently manages Crowthorn Capital. The Company entered a one year agreement with Mr. Horlington to provide investor relations advisory services and make introductions for the Company to European investors. The options granted will vest over one year and are exercisable at \$1.15 per share for a period of one year after vesting.

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 (EP) 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 preventative therapies for AMP diseases.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. This information release may contain certain forward-looking information. Actual future results may differ materially from those contemplated. The risks, uncertainties and other factors that could influence the actual results are described in documents filed with regulatory authorities.