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YM BioSciences signs Development and Licensing agreement for Cancer Drug

MISSISSAUGA, Canada – November 12, 2003 – YM BioSciences Inc. (AIM:YMBA, TSX:YM), a cancer drug development company with an advanced-stage portfolio, today announced the signing of a Development and Licensing agreement for TheraCIM hR3, the Company's EGF receptor antibody therapeutic for the treatment of cancer. Under the terms of the agreement, Oncoscience AG of Wedel, Germany will be responsible for all expenses associated with the development, clinical trials and regulatory processes required to bring this product to market in Europe.

Oncoscience was founded in 2001 by Ferdinand Bach, previously Managing Director of Medac GmbH, Hamburg. Oncoscience has identified three clinical indications where the antibody will be used to enhance the effectiveness of conventional radiation therapy, and plans to start trials in the second quarter 2004. Given the typically short trial times required in the lead indications, it may be possible to achieve regulatory approval for TheraCIM hR3 in 2006.

"YM is pleased to have found a partner with a shared vision for the potential of TheraCIM hR3 and who is committed to rapidly developing it as a lead oncology product," said David Allan, Chairman and CEO of YM BioSciences. "Mr. Bach's broad commercial and development experience will be invaluable in the process."

"Oncoscience is proud to partner with YM and CIMAB SA for the further development of TheraCIM hR3," said Ferdinand Bach, CEO of Oncoscience. "Together we create a group with broad development experience capable of rapidly bringing this product to the European market."

Under the terms of the agreement, YM's subsidiary CIMYM will receive a minimum US$30 million as a share of any sublicensing fees and as a premium royalty on initial sales. CIMYM will also receive an escalating royalty on all sales of the product. The product will be manufactured by YM's joint venture partner in CIMYM, CIMAB SA at its new GMP manufacturing plant in Havana or other plants able to supply at GMP standards. Oncoscience may decide, in consultation with YM, to appoint sublicenses or distributors for some countries where it does not plan to immediately establish its own sales force. This agreement will cover more than 40 countries including the European community and neighbouring countries. Bioscience Managers Ltd. of London, UK assisted in the completion of this transaction.

About YM BioSciences

YM BioSciences Inc. is a cancer drug development company that was established in Canada in 1994. Its drug development portfolio includes three different anti-cancer compounds in a number of formulations targeting five different tumours or stages of cancer in clinical development. The products have been licensed principally from academic centres of excellence internationally. Drugs in development include tesmilifene, a small molecule chemopotentiator (for taxanes and anthracyclines) that has recently been cleared by the FDA for a pivotal Phase III in metastatic breast cancer for which it had previously completed a Phase III trial with positive results; an EGFr humanized monoclonal antibody having completed Phase II trials; and a GnRH cancer vaccine also in clinical trials. In addition, the company is supporting the preclinical development of two additional cancer products.

About Oncoscience AG

Oncoscience concentrates on providing better treatments for patients with severe illness, focusing on three major areas: 1) Cancer drug research concentrating on Orphan Drug indications; 2) Tumor tissue banking for diagnosis and long-term storage; 3) Organ transportation for transplantation at room temperature, avoiding cold ischemia.

Except for historical information, this press release may contain forward-looking statements, which reflect the Company's current expectation regarding future events. These forward-looking statements involve risk and uncertainties, which may cause but are not limited to, changing market conditions, the successful and timely completion of clinical studies, the establishment of corporate alliances, the impact of competitive products and pricing, new product development, uncertainties related to the regulatory approval process and other risks detailed from time to time in the Company's ongoing quarterly and annual reporting.