



October 3, 2011

Dear Afexa Life Sciences Inc. Shareholder:

Valeant Pharmaceuticals International, Inc. ("Valeant") recently announced that it has increased the friendly all-cash offer (the "Offer") of its wholly-owned subsidiary 1625907 Alberta Ltd. (the "Offeror") to purchase all of your common shares of Afexa Life Sciences Inc. to \$0.85 per share. Valeant believes that shareholders of Afexa should accept its increased offer for the following reasons:

- **Significant Premium to Market Price.** The increased offer price of \$0.85 per share represents a 20% premium to the original offer price of \$0.71, a 56% premium to Afexa's 30-day volume weighted average price on the TSX as of the date before the announcement of Valeant's original offer and a 143% premium over the closing price on the TSX on July 14, 2011, the last trading day prior to the announcement by Paladin Labs Inc. ("Paladin") of market purchases of Afexa common shares.
- **Certainty of Completion.** Valeant's Offer is no longer subject to a minimum tender condition, such that the Offeror will take-up and pay for any and all shares tendered to the Offer if the other conditions of the Offer are satisfied. This provides greater certainty that shares tendered to the Offer will be taken-up and paid for.
- **Fairness Opinion of Scotia Capital.** Scotia Capital Inc. provided a fairness opinion to Afexa's Board to the effect that the consideration offered pursuant to the Offer is fair, from a financial point of view, to the shareholders.
- **Unanimous Recommendation of Afexa's Board.** Afexa's Board has unanimously determined that the Offer is in the best interests of Afexa and the shareholders and unanimously recommended that shareholders tender their common shares to the Offer.

Full details of the amendments to Valeant's offer are included in the attached Notice of Variation dated October 3, 2011 to the Offer to Purchase and Take-Over Bid Circular dated September 6, 2011 which was previously mailed to you. Afexa has retained Georgeson Shareholder Communications Canada Inc. as information agent. Any questions or requests for assistance or further information on how to tender your common shares to Valeant's increased offer may be directed to, and copies of the above referenced documents may be obtained by contacting the information agent at the telephone number or email address listed on the back on this letter. If your common shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee, you should contact such nominee for assistance in depositing your common shares to Valeant's increased Offer.

If you have validly deposited and not withdrawn your common shares under the Offer, you do not need to take any further action to accept the Offer and will automatically be entitled to receive under the Offer the increased consideration of \$0.85 per share.

On October 3, 2011, Paladin announced that it would not be taking up any common shares under its offer since a condition of its offer could not be fulfilled. If you have deposited your common shares to Paladin's unsolicited take-over bid and you wish to obtain assistance in withdrawing your common shares, you should contact your broker or Georgeson, the information agent retained by Afexa, at the telephone number or email address listed on the back of this letter.

On behalf of Valeant, we thank you for your support.

A handwritten signature in black ink, appearing to read "J. Michael Pearson".

J. Michael Pearson

**Chairman and Chief Executive Officer,
Valeant Pharmaceuticals International, Inc.**

Shareholders requiring assistance concerning Valeant's offer are urged to contact:

Georgeson

100 University Avenue
11th Floor, South Tower
Toronto, Ontario M5J 2Y1

North American Toll Free Number: 1-866-676-3005
Email: askus@georgeson.com