

Code of Business Conduct and Ethics

Introduction

Targanta Therapeutics Corporation, along with its Canadian subsidiaries, Targanta Therapeutics Inc., and Targanta Therapeutics (Ontario) Inc. (Targanta), is wholly dedicated to conducting its business in accordance with applicable laws, rules, and regulations, as well as the highest standards of business ethics. This Code of Business Conduct and Ethics (Code) reflects the sound business practices and principles of integrity that support this commitment. Targanta expects every employee and consultant to read, understand, and abide by the Code in the execution of his/her business responsibilities. The Code is designed to represent key guiding principles and should not be understood to replace or eliminate any additional obligations set forth in applicable personnel policies or agreements.

Section 1: Compliance with Laws

Targanta expects its employees to conduct business in accordance with the letter and spirit of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct. This includes, but is not limited to:

- Scientific integrity in the conduct and presentation of research;
- The integrity of data presented to regulatory bodies;
- Accounting integrity and compliance; and
- A clear process for employees to voice any concerns that they may have in these areas.

Section 2: Conflicts of Interest

Targanta expects its employees to devote their best efforts and attention to the performance of their jobs. Employees are expected to use good judgment, adhere to high ethical standards, and avoid situations that create an actual or potential conflict between an employee's personal interests and those of the company. An actual or potential conflict of interest occurs when an employee is in a position to influence a Targanta business decision that may result in his or her personal loss or gain or a gain or loss for a relative, friend, or acquaintance. Personal loss or gain may result not only in cases where the above individuals, or his or her relative, has an ownership position in a firm with which Targanta does business but also when such a person receives or is promised any kickback, bribe, substantial gift, favor, or special consideration as a result of any transaction of business dealings involving Targanta. For the purposes of this Code, a relative is any person who is related by blood or marriage, or whose relationship with an employee is similar to that of persons who are related by blood or marriage.

If an employee or someone with whom an employee has a close relationship has a financial or employment relationship with a competitor, customer, supplier, or potential supplier, the employee must disclose this fact to Targanta. Employees should be aware that if they enter into a personal relationship with a subordinate employee or with an

employee of a competitor, supplier, or customer, a conflict of interest might exist that requires full disclosure by the company.

A part-time employee may engage in outside employment, provided the employee discloses this fact to the Company and agrees that:

- The outside employment does not interfere with the employee's responsibilities at Targanta;
- The outside employment is not for a competitor or in competition with any Targanta business; and
- Targanta's tools, equipment, or proprietary information are not used in the outside employment.

Section 3: Fair Dealing and Ethical Conduct

Targanta and its employees are resolved to carry out the mission and achieve the goals of the company. Targanta's business and reputation depend heavily upon the principles of fair dealing and the ethical conduct demonstrated by Targanta's employees. Targanta's commitment to integrity and excellence requires careful adherence to the letter and spirit of all applicable laws, regulations, and recommendations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

The continued success of Targanta is a direct function of the level of faith the company's vendors, employees, shareholders, partners, and other stakeholders have in the company, and we seek to perpetuate that trust. Targanta's employees owe a duty to their peers and Targanta's Board of Directors to act in a way that will merit the continued trust and confidence of the public. Targanta is committed to providing all its stakeholders with appropriate, accurate, and timely communications on achievements and prospects.

Section 4: Respect for All Employees

Targanta's policies, practices, and procedures are designed to ensure that all employees are treated fairly, respectfully and courteously. As an organization, Targanta does not, nor will not, tolerate any discriminatory or harassment practice by an employee. Targanta values the unique contributions and insight each individual brings to the workforce and considers the different perspectives as an important part of the company's potential to succeed in the marketplace. The collective talents of Targanta's employees will be reflected in all parts of the company's business, including employment practices, market strategies, and purchasing activities.

Section 5: Maintenance of Corporate Books, Records, Documents, and Accounts

The integrity of Targanta's disclosures and documents depend on the validity, accuracy, timeliness, and completeness of the information supporting the entries to the company's books and records. The intentional making of false or misleading entries, whether they relate to financial, scientific, or clinical test results, is strictly prohibited. Targanta's records serve as a basis for managing the company's business and are

important in meeting the company's obligations to its shareholders, suppliers, creditors, partners, employees, regulators, and others with whom the company does business. As a result, it is important that Targanta's books, records, and accounts accurately and fully reflect, in reasonable detail, the company's assets, liabilities, revenues, costs and expenses, as well as all transactions and changes in the company's assets and liabilities.

Targanta requires that:

- No entry be made in the company's books and records that intentionally hides or disguises the nature of any transaction or liabilities of the company, or misclassifies any transactions of the company as to accounts of different accounting periods;
- Transactions be supported by appropriate documentation;
- The terms of commercial transactions be reflected accurately in the documentation for those transactions and all such documentation shall be reflected accurately in the company's books and records; and
- Employees comply with the company's system of internal controls.

Section 6: Quality of Public Disclosures

Targanta has a responsibility to ensure that the reports and documents filed with or submitted to the United States Food & Drug Administration (FDA) and any other governmental authority include full, fair, accurate, timely, and understandable disclosure. These obligations apply to any employee with responsibility for the preparation and filing of such reports and documents, including drafting, reviewing, signing, or certifying the information contained in those reports and documents. Each person who collects, provides, or analyzes information for or otherwise contributes in any way in preparing or verifying these reports and documents should strive to ensure that the disclosures are accurate. No individual should knowingly make any false or misleading statement in any reports or documents Targanta files with the FDA or other governmental authority or knowingly omit any information necessary to make the disclosure in any of the company's reports accurate in all material respects.

Section 7: Confidential Information

As a condition of employment, each employee must sign and abide by Targanta's Confidential Disclosure Agreement, which agreement requires an employee to ensure, among other things, that the security of all of Targanta's confidential information and assets are protected. No employee of the company, or any family member of any such person, shall do any of the following:

- Discuss with, or inform others about, any actual or contemplated business transaction by the company or its vendors, except in the performance of such person's employment duties or in an official capacity and then only for the benefit of the company, as appropriate, and in no event for personal gain or for the benefit of any other third party;
- Give any information to any third party about any business transaction of the company or its vendors that are proposed or in process unless expressly authorized to do so by the President or such officer's designee; and

- Other than the company's President, Chief Executive Officer, Chief Financial Officer, Chief Development Officer, or Chief Scientific Officer (the Executive Team), an employee cannot discuss with any member of the press or media any facet of the business of the company or its vendors except, with the prior authorization of Targanta's President or such officer's designee.

Section 8: Reporting Suspected Violations

Employees must promptly report any suspected violations of this Code or any illegal activities they observe. Reports in good faith may be made in confidence and without fear of retaliation to any member of the Executive Team. All employees are expected to cooperate in any confidential internal investigations of misconduct.

Section 9: Responsibility

It is the responsibility of Targanta's Board of Directors and Executive Team periodically to review this Code and its application within the organization. It is also the responsibility of the company's Executive Team to respond to other legal or ethical concerns. It is the responsibility of each employee to abide by this Code, exercise proper supervision of the observance and implementation of this Code, and to report any violation of this Code as provided above.