



350 - 4243 Glanford Ave.  
Victoria, BC Canada V8Z 4B9  
Tel: (250) 744-2811 Fax: (250) 744-2877  
<http://www.stressgen.com>

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**Contact:**

Dave Matthews, Chief Financial Officer  
StressGen Biotechnologies Corp.  
(250) 744-2811

Gretchen L.P. Schweitzer OR Fran DeVellis  
Feinstein Kean Healthcare  
(617) 577-8110

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## **StressGen Biotechnologies Announces Initiation of Phase II Study with HspE7**

**Victoria, British Columbia, March 16, 2000** - StressGen Biotechnologies Corp. (TSE: SSB) today announced the initial enrollment of patients in its phase II study in women with high-grade cervical dysplasia following the initiation of this trial in January 2000. The trial will test the efficacy of a multiple dose schedule of HspE7 (product number SGN-00101), the Company's lead compound to potentially treat cervical dysplasia non-surgically. Cervical dysplasia is a condition characterized by the presence of abnormal cells that often precede cervical cancer. Currently, treatment for high-grade pre-cancerous lesions is limited to local surgical techniques.

Richard Glickman, President and CEO of StressGen Biotechnologies, stated, "In line with our projected milestones for this program, we are pleased to have begun this trial and to have treated our first patients. We look forward to continuing patient enrollment in the weeks ahead. In addition to this trial, we have also completed enrollment in our Phase I study in women with cervical dysplasia."

Mr. Glickman continued, "We are particularly encouraged that the safety profile for HspE7 allows us to expeditiously advance our programs forward in 2000."

### **Phase II Trial Details**

Several of the investigational sites in the Phase I study of women with cervical dysplasia were opened in January 2000 as study sites for the Phase II study announced today. This Phase II study is an open label trial of HspE7 (SGN-00101) given in three doses separated by 2-week intervals. The objectives are to determine if the treatment can reduce the grade of dysplasia or eliminate the dysplastic cells. In addition, the safety of the treatment in the planned dose and schedule will be evaluated.

**CIN Phase I Trial Update**

In the Phase I placebo-controlled study, three cohorts of ten patients with cervical dysplasia, each at a different dose level, received a single dose of HspE7 by subcutaneous injection. The safety data obtained in this trial supports the further testing of multiple doses in a larger population for both safety and efficacy.

Management also noted that another Phase II study is underway in immunocompetent male and female patients with high-grade anal dysplasia. This trial program is progressing well and accrual for the interim analysis has been completed on schedule. The Company also plans to initiate a Phase II study in cervical cancer patients, a distinct patient population from cervical dysplasia patients, in the second quarter of 2000.

**Background on Cervical Dysplasia**

CIN II/III or high-grade cervical dysplasia is characterized by the presence of abnormal cells that often precede cervical cancer. These abnormal cells are usually detected in women through regular Pap smear screening. It is estimated that 1.5 million women in the United States will be diagnosed with some form of cervical dysplasia. Worldwide, the incidence is much larger.

**Background on HspE7 (SGN-00101)**

HspE7, a recombinant fusion product, is composed of heat shock protein 65 (Hsp65) from *M. bovis* BCG and the protein E7. As a member of the family of stress proteins, Hsp65 is known to elicit a powerful immune response. The E7 protein is derived from the human papillomavirus (HPV) and is involved in the malignant transformation of anal and cervical epithelial cells. E7 is a tumour-specific antigen and thus represents a precise target for the immune system attack on abnormal cells. The Company is developing a broad range of other stress protein-based therapeutic products for cancer and other diseases susceptible to immune manipulation.

StressGen Biotechnologies Corp. is a biopharmaceutical company developing innovative immunotherapy products to treat cancer and prevent infectious disease. The Company's core technology capitalizes on the ability of stress proteins to activate the body's immune system to recognize and fight disease. Through its Biochemical Division, StressGen is also an internationally recognized supplier of stress protein, protein trafficking and signal transduction research reagents.

The matters contained in this news release including, but not limited to clinical trials, regulatory matters, beliefs, and expectations are forward-looking statements. StressGen undertakes no obligation to publicly release the results of any revision to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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