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StressGen Receives Proceeds from Special Warrant Financing Following Clearance of Final Prospectus

Victoria, British Columbia, May 1, 2000 – StressGen Biotechnologies Corp. (TSE: SSB) today announced that it has received \$25.3 million in proceeds from its special warrant financing after obtaining final receipts for a prospectus dated April 26, 2000, in British Columbia, Manitoba, Ontario, Quebec and New Brunswick. The Company announced the completion of the financing in February, indicating that the proceeds would be held in trust pending the clearance of the final prospectus. The prospectus qualifies the distribution of common shares issuable upon the exercise of the 7,449,000 special warrants issued by the Company on February 2, 2000.

The special warrants were sold on a private placement basis through a syndicate led by BMO Nesbitt Burns Inc., and including Goepel McDermid Inc.

The net proceeds from the offering of special warrants will be used to fund ongoing clinical trials for StressGen's lead product candidate, the HspE7 stress protein, in female patients with high grade cervical dysplasia and male and female patients with anal dysplasia, as well as for further research and clinical development of the Company's other product candidates.

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, apoptosis, cell proliferation, protein phosphorylation, receptors and neuroscience research products. These products are used by scientists worldwide.

MORE . . .

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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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