



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

STRESSGEN ANNOUNCES PUBLIC OFFERING

FOR IMMEDIATE RELEASE
2000

September 20th,

Victoria, British Columbia - StressGen Biotechnologies Corp. (TSE: SSB) announced today that it has filed a short form preliminary prospectus in Canada and a registration statement in the United States under the Canada/U.S. multi-jurisdictional disclosure system in connection with a public offering of Common Shares.

The underwriting syndicate for the offering will be led by BMO Nesbitt Burns Inc., and includes CIBC World Markets Inc. and Goepel McDermid Inc. The Company's marketing period is expected to commence on or about September 20, 2000. The offering is expected to close by mid-October 2000.

The net proceeds of this offering will be used to fund the Company's development program for its lead product candidate HspE7, to fund the research and development of new product development opportunities, acquisition of complementary products or technologies, corporate expansion or relocation of its facilities, working capital and for general corporate purposes.

The Common Shares may not be sold nor may offers to buy the Common Shares be accepted prior to the time the registration statement becomes effective. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Common Shares in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

StressGen Biotechnologies Corporation is a biopharmaceutical company focused on the development of innovative stress protein-based immunotherapeutics. The Company is developing a broad range of products for the treatment of virally induced infections and related cancers. StressGen has also initiated research studies to evaluate the technology in the treatment of asthma and allergy as well as Hepatitis B. Through its Biochemical Division, StressGen is also an internationally recognized supplier of research products for the study of cellular stress, apoptosis, oxidative stress and neurobiology. These products are used by scientists worldwide.

Copies of the short form prospectus may be obtained on request without charge from BMO Nesbitt Burns Inc., Suite 1700 - 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8 (telephone (604) 685-5181).

StressGen Biotechnologies, 350-4243 Glanford Ave. Victoria, BC V8Z 4B9
Tel: 250-744-2811 Fax: 250-744-3331 ewhiting@stressgen.com