



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

STRESSGEN REPORTS THIRD QUARTER FINANCIAL RESULTS *Underwriters exercise their over-allotment option*

FOR IMMEDIATE RELEASE

November 14th, 2000

Victoria, British Columbia - Stressgen Biotechnologies Corp. (TSE: SSB) today released its financial results for the quarter ending September 30, 2000. All amounts, unless otherwise specified, are in Canadian dollars. For the three months ended September 30, 2000, Stressgen reported net losses of \$4.17 million or \$0.10 cents per common share compared with a net loss of \$2.86 million or \$0.10 cents per common share in the same period in 1999. For the nine months ended September 30, 2000, the company reported net losses of \$14.33 million or \$0.38 cents per common share compared with a net loss of \$10.51 million or \$0.35 cents per common share in the same period in 1999. The increased losses reflect the advancement of multiple Phase II clinical trials of the company's lead product, HspE7, and the development of the company's organizational structure to support this and other research and development programs.

The Company reported revenues of approximately \$4.40 million for the first nine months of 2000, compared to \$3.17 million reported in 1999. This increase is attributable to 24% increase in biochemical product sales from \$2.47 million for the first nine months of 1999 to \$3.08 million for the first nine months of 2000. Also contributing to the growth in revenues is an 88% increase in interest and other income from \$0.70 million for the first nine months of 1999 to \$1.32 million for the same period of 2000. Cash and short-term investments equaled \$31.89 million on September 30, 2000.

"We continued to make significant progress in the third quarter in the advancement of the HspE7 clinical program and gained recognition as leader in both the heat shock protein and immunotherapeutics arenas," said Daniel Korpolinski, President and CEO of Stressgen. "The Company has met its milestones for this quarter and remains on track for the next. With the completion of the recent financing we are well positioned to move ahead aggressively in both our clinical programs and research and development."

RECENT ACCOMPLISHMENTS

The week of July 26, 2000, Stressgen reported important preliminary data from the first patients in its open label Phase II trial in anal dysplasia (AIN) at the 18th International Papillomavirus Conference, a scientific symposium, held in Barcelona, Spain. This data established activity of HspE7, a novel immunotherapeutic, in the treatment of HPV-related anal dysplasia. The Company also reported new data on HspE7's mechanism of action, as well as data from a healthy volunteer trial. Following the third quarter, Stressgen also presented updated Phase II AIN data at the Cancer Vaccines 2000 conference held in New York as well as the 2nd International Heat Shock Proteins conference in Connecticut. These Phase II data also demonstrated activity of HspE7, in the treatment of HPV-related anal dysplasia (AIN). Further, observation of responses in patients with various HPV types including the types most commonly associated with genital warts reinforce the potential of HspE7 as a broad-based therapeutic for HPV-related diseases.

In its HspE7 clinical program, Stressgen continued to make rapid advances. The Company closed enrollment in its Phase II AIN trial at 85 patients and continues to enroll in its open label trial. The results observed to date in the Phase II AIN trials served as the basis for the new Phase III trial in AIN which was announced on November 6. In addition, the Company closed enrollment in the Phase II high-grade cervical dysplasia (CIN II/III) and initiated a Phase II cervical cancer trial. Stressgen plans to initiate a Phase II trial for genital warts and continues to evaluate additional indications for HspE7.

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The Company also made significant strides in this quarter with further scientific affirmation of its proprietary stress protein fusion technology. Stressgen scientists and collaborators published an article in the scientific journal *Clinical Experimental Immunology* (121:216-225) confirming that HspE7's invokes a potent cellular immune response and supporting the potential application of this novel therapeutic approach in the treatment of immunocompromised patients. These preclinical studies indicated that the recombinant fusion protein is required for tumor regression and long-term survival. More importantly, the studies clearly established that components of the fusion protein, alone or in a mixture, are not effective. These data reinforce the potential of Hsp fusions as a platform technology for the development of novel immunotherapeutics.

As previously announced, on October 17th, Stressgen successfully closed the offering of 6,500,000 Common shares at a price of CDN\$7.00 per share, for total gross proceeds of CDN\$45.50 million. Stressgen now announces that the underwriters for the offering have exercised a portion of their over-allotment option to acquire an additional 404,100 common shares at CDN\$7.00 per share for additional gross proceeds of CDN \$2.83 million. The issuance of these shares is expected to close shortly. The net proceeds of the offering will be used primarily to fund the Company's development program for its lead product candidate HspE7. In addition, a portion of the funds will be used to drive 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.

Another indication of the positive advancements Stressgen has made over the quarter, was the addition of the Company to the TSE 300 composite index and to the Standard & Poor's/TSE SmallCap Index in the Health Care sector as of the close of business on Monday, October 23, 2000. This milestone also reflects the increasing recognition Stressgen has gained as a leading biotechnology company.

Stressgen Biotechnologies Corporation is focused on the development and commercialization of novel stress protein-based immunotherapeutics. The Company is currently conducting clinical trials for HspE7 in the treatment of sexually transmitted diseases caused by the Human Papillomavirus (HPV). The Company has an active Phase III trial for HPV-related anal dysplasia and two Phase II trials in cervical cancer and cervical dysplasia underway. Stressgen also plans to initiate a Phase II trial in genital warts. The Company is developing a broad range of stress protein-based therapeutic products for other diseases including Hepatitis and HIV and has also initiated studies to evaluate the heat shock proteins in asthma and allergy. Stressgen is 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.

Stressgen has scheduled a public conference call for Tuesday, November 14, 2000 at 2 pm (Pacific Time) to discuss the quarterly results and update. To participate, call 888-313-1094 in Canada, the United States or internationally. This call will be recorded for playback by calling 800-558-5253 and entering reservation number 16828978 and is available November 14 through November 21, 2000.

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Contact: Elisabeth Whiting, Director, Corporate Communications & Investor Relations
Stressgen Biotechnologies, 350-4243 Glanford Ave. Victoria, BC V8Z 4B9
Tel: 250-744-2811 Fax: 250-744-3331 ewhiting@Stressgen.com

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