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STRESSGEN RECEIVES FINAL PROCEEDS FROM SALE OF BIOREAGENT BUSINESS

FOR IMMEDIATE RELEASE

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San Diego, California USA – Stressgen Biotechnologies (TSX:SSB) (“the Company”) announced today that it has received approximately \$720,000 from Stressgen Bioreagents Corporation, a company funded by Ampersand Ventures (“Ampersand”). This money was being held in escrow in connection with the previously announced sale of the Company’s bioreagent business. The release of money held in escrow was not scheduled until April of this year. In consideration for early release, the Company provided, among other things, a small financial discount on the aggregate amount held in escrow.

“This is another small financial milestone toward implementing our new strategic plan,” stated Gregory M. McKee, President and Chief Executive Officer of Stressgen Biotechnologies. “We continue to focus on more substantive transactions, such as partnering efforts and other initiatives, to obtain the necessary funds to continue development of the HspE7 program.”

About Stressgen Biotechnologies Corporation

Stressgen, a biopharmaceutical company, focuses on the discovery, development and commercialization of innovative therapeutic vaccines for the treatment of infectious diseases and cancer. The corporation is publicly traded on the Toronto Stock Exchange under the symbol SSB.

About HspE7, Lead Product Candidate

HspE7 is a novel CoValTM fusion therapeutic vaccine designed for the treatment of diseases caused by the human papillomavirus (HPV), one of the most common causes of sexually transmitted diseases in the world. An estimated 80% of sexually active men and women are infected by genital HPV at some point in their lives. Approximately 5.5 million new sexually transmitted HPV infections are reported in the U.S. each year. At least 20 million people in the U.S. are already infected. HPV infection can result in diseases including internal and external genital warts and precancerous conditions, such as cervical and anal dysplasia. Precancerous HPV-related conditions can progress into life-threatening diseases, including cervical, anal, and head and neck cancers.

About CoValTM Fusion Proteins

Stressgen capitalizes upon the immunostimulatory powers of heat shock proteins utilizing recombinant technology to fuse, or covalently link, a stress protein with a protein antigen to create a single hybrid protein designed to trigger the immune system to recognize that antigen. For more information about CoValTM fusion technology, or Stressgen, please visit the website located at www.stressgen.com.

This press release contains forward-looking statements regarding our intention to pursue partnering and other initiatives and the continuation of our HspE7 program. Actual results could be materially different from those implied by these forward-looking statements due to factors over which we have limited control, including but not limited to our ability to continue as a going concern, our ability to enter into corporate partnering relationships (and the effects and terms of those relationships), difficulties inherent in the manufacture of commercial-grade clinical supplies, our ability to meet regulatory approval requirements, the development of our potential products, including HspE7, not proceeding as planned, clinical trial uncertainties, the risk that, if successfully developed, HspE7 may not be commercially successful and the effect of our limited cash resources. Please refer to our filings with Canadian securities regulators for more information on these and other applicable risks. We assume no obligation and expressly disclaim any duty to update any forward-looking statement to reflect events or circumstances after the date of this news release or to reflect the occurrence of subsequent events.

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