

GTC Biotherapeutics Grants License To Technology To Support Nexia Biotechnologies' Protexia[®]

FRAMINGHAM, MA and MONTREAL, QC – September 23, 2004 -- GTC Biotherapeutics, Inc. ("GTC", Nasdaq: GTCB) and Nexia Biotechnologies Inc. ("Nexia", TSX: NXB) announced today that they have signed an exclusive agreement for GTC to license its transgenic technology for Nexia to continue the development, manufacture, and sale of Protexia[®]. This licensing agreement includes access to GTC's beta casein promoter and an option to license its filtration technology, which has been demonstrated to have utility for initial purification of Protexia[®]. Protexia[®] is a recombinant form of butyrylcholinesterase (BChE) produced in the milk of Nexia's transgenic goats. BChE is a naturally occurring enzyme found in the circulatory system of humans and acts as a bioscavenger which may be used to prevent the toxic effects of nerve agents and other organophosphate compounds. Protexia[®] is being developed by Nexia jointly with the US Army Medical Research Materiel Command (USAMRMC), and with Defence R&D Canada Suffield (DRDC Suffield), for therapeutic and prophylactic applications. The financial terms of the licensing agreement were not disclosed.

"Protexia[®] has the potential to be an important biodefense product," stated Geoffrey F. Cox, Ph.D., GTC's Chairman of the Board and Chief Executive Officer. "We are pleased to be able to license our intellectual property for the development of Protexia[®]."

"GTC's casein promoter and filtration technology are important and a proven component of Nexia's manufacturing process for Protexia[®]," commented Jeffrey D. Turner, Ph.D., President & CEO of Nexia. "The technology GTC and Nexia are putting together enables the development of this innovative biotech-based medicine to counter a significant chemical weapons threat globally and at home."

Nexia is working with the USAMRMC under the Broad Agency Announcement contract and a Cooperative Research and Development Agreement. Research and testing of Protexia[®] is also being developed under a three-year, funded Development & Testing Agreement with DRDC Suffield. Nexia has reported that Protexia[®] has delivered broad spectrum protection against multiple lethal doses of nerve agents in animal models. In addition, Nexia has reported that in animal models a single injection of Protexia[®] delivers sustained elevation of BChE levels in the blood, where it neutralizes the deleterious toxic effects of nerve agents.

The Protexia[®] program has begun the stages of herd scale-up, purification process development, and preclinical studies to support the filing of an Investigational New Drug (IND) application with the US Food and Drug Administration (FDA).

About GTC

GTC Biotherapeutics is a leader in the development, production, and commercialization of therapeutic proteins through transgenic animal technology. GTC's ATryn[®], a recombinant form of human antithrombin, is undergoing review for market authorization in Europe. Subject to satisfactory approval, GTC will be the first company to commercially offer a transgenically produced product, which is projected for mid-2005. In addition to the ATryn[®] program, GTC is developing a recombinant human serum albumin, a malaria vaccine, and a CD137 antibody to solid tumors. In its external programs, GTC's technology is used to develop transgenic production of its partners' proprietary products, including both large-volume protein

therapeutics as well as products that are difficult to produce in significant quantities from conventional recombinant production systems. GTC's external program collaborations are developing transgenic versions of products such as monoclonal antibodies and immunoglobulin fusion proteins for conditions such as rheumatoid arthritis, HIV/AIDS and cancer. One of the external programs is in clinical trials with a transgenically produced product. Additional information is available on the GTC web site, <http://www.gtc-bio.com>.

About Nexia

Nexia develops and manufactures complex recombinant proteins in the milk of transgenic goats for medical applications. Nexia's strength is producing proteins that cannot be made commercially using other recombinant systems. The Company's products are Protexia[®] and BioSteel[®]. Protexia[®] is being developed as a military prophylaxis and as a post-exposure therapy for civilian casualties of domestic terrorist attacks. Protexia[®] is recombinant human butyrylcholinesterase produced in the milk of Nexia's transgenic dairy goats. Protexia[®]'s capability as a medical countermeasure has been demonstrated *in vivo* to protect animals from multiple lethal doses of a broad spectrum of nerve agent chemical weapons. BioSteel[®], a recombinant spider silk, is a commercially available biopolymer and is under development for use in nanofiber applications. For more information, please visit Nexia's website at <http://www.nexiabiotech.com>.

Forward-Looking Statement for GTC

This press release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including without limitation statements regarding the potential approval and sale of ATryn[®] in Europe, and the potential for further successful development of Protexia[®] by Nexia. Such forward-looking statements are subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such statements. Factors that may cause such differences include, but are not limited to, the risks and uncertainties discussed in GTC's most recent Annual Report on Form 10-K and its other periodic reports as filed with the Securities and Exchange Commission, including the uncertainties associated with conducting clinical studies, and the risks and uncertainties associated with dependence upon the actions of partners and regulatory agencies, and the uncertainty that the Company will be able to obtain additional revenues and financial resources, including through continuing and new external programs and marketing and strategic partners for some of its internal programs. GTC cautions investors not to place undue reliance on the forward-looking statements contained in this release. These statements speak only as of the date of this document, and GTC undertakes no obligation to update or revise the statements, except as may be required by law.

Forward-Looking Statement for Nexia

Except for the historical information presented herein, matters discussed herein may constitute forward-looking statements that are subject to certain risks and uncertainties that could cause actual results to differ materially from any future results, performance or achievements expressed or implied by such statements. Statements that are not historical facts, including statements preceded by, followed by, or that include the words "believes"; "anticipates"; "intends"; "plans"; "expects"; "estimates"; or similar statements are forward-looking statements. Such statements reflect management's current views and are based on certain assumptions. Actual results could differ materially from those currently anticipated as a result of a number of factors, including risks and uncertainties discussed in Nexia's filings with Canadian regulatory authorities. An additional business risk associated with the Protexia[®] program relates to the fact that large purchases are expected to be made from a few customers. Changes in demand from these customers could significantly affect our program. There can be no assurance that such development efforts will succeed, that such products will receive required regulatory clearance or that, such products would ultimately achieve commercial success.

Protexia and BioSteel are registered trademarks of Nexia Biotechnologies Inc. in Canada.

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