



Nexia Biotechnologies Inc.
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Edmonton, Alberta, Canada, June 12, 2006. Nexia Biotechnologies Inc. ("Nexia") announces that it has executed an amended and restated Arrangement Agreement in connection with its previous announced Plan of Arrangement among Nexia, Enseco Energy Services Corp. ("Enseco"), Enseco Management Corp. and 6539718 Canada Inc. (the "Arrangement"). Nexia intends to convene a meeting of its shareholders for the purpose of considering and potentially approving the Arrangement. The Arrangement Agreement has been amended to provide that an information circular will be sent to shareholders on or before August 15, 2006 and that the meeting of shareholders will be held on or before September 15, 2006. The Arrangement Agreement has been further amended to provide that the parties obtain an interim order of the Court of Queen's Bench of Alberta concerning the Arrangement on or before August 15, 2006 and a final order the Court of Queen's Bench of Alberta concerning the Arrangement on or before September 15, 2006. The Arrangement Agreement has been further amended to provide that the shareholders of Nexia must pass a special resolution approving the Arrangement and that the Arrangement must become effective on or before September 15, 2006.

The Arrangement Agreement previously provided that, on or before May 1, 2006, Enseco was required to do the following: complete one or more private placements of First Debentures for proceeds of up to \$1.5 million and, unless otherwise agreed to by Nexia, not more than 3,750,000 Enseco non-voting common shares would be issued or issuable upon the conversion of the First Debentures; complete one or more private placements of Second Debentures for proceeds of up to \$10 million and, unless otherwise agreed to by Nexia, not more than 5,000,000 Enseco common shares would be issued or issuable upon the conversion of the Second Debentures; complete the acquisition of operating businesses in the oil and natural gas service industry (the "Opcos") with a combined pro forma 2006 EBITDA of not less than \$8,000,000, through the issuance of not more than 10,000,000 Enseco common shares or the issuance of First Debentures and/or cash received from the placement of First Debentures and Second Debentures and rights to acquire Enseco common shares. The Arrangement Agreement has been amended to reflect the fact that these requirements have now been satisfied.

Since its incorporation, Enseco has completed private placements of 3.7 million Enseco common shares for gross proceeds of approximately \$12 million and \$11.5 million of 6% First Debentures and 3% Second Debentures convertible into not more than an aggregate of 8.75 million Enseco common shares and Enseco non-voting common shares. Enseco has acquired or is in the process of acquiring Opcos as follows:

Trottier Energy Services Inc.

On March 21, 2006, Enseco completed the acquisition of all of the issued and outstanding shares of Trottier Energy Services Inc. ("Trottier") for \$1,650,000 in cash and the issuance of 825,000 Enseco common shares. Trottier is engaged in the business of production testing.

Swab Services Ltd.

On April 6, 2006 Enseco completed the acquisition of all of the issued and outstanding shares of Swab Services Ltd. ("Swab") for \$9,000,000 in cash and the issuance of 4,500,000 Enseco common shares. Swab is engaged in the business of production testing, well swabbing services and equipment rentals.

Swab-Co Inc.

On May 15, 2006, Enseco completed the acquisition of all of the issued and outstanding shares of Swab-Co Inc. ("Swab-Co") for \$9,000,000 in cash and the issuance of 1,815,385 Enseco common shares. Swab-Co is engaged in the business of well swabbing services.

Swab-Flo Inc.

On May 15, 2006, Enseco completed the acquisition of all of the issued and outstanding shares of Swab-Flo Inc. ("Swab-Flo") for \$1,899,998.25 in cash and the issuance of 307,693 Enseco common shares. Swab-Flo is engaged in the business of production testing.

Testing & Wireline

On April 21, 2006, Enseco entered into a letter agreement to acquire all of the issued and outstanding shares of a company for \$2,077,689 in cash and the issuance of 584,616 Enseco common shares and rights to acquire an additional 54,000 common shares. This acquisition is expected to be completed in mid June. The company is engaged in the business of production testing, wireline services and equipment rentals.

Manufacturing

On May 17, 2006, Enseco entered into a letter agreement to acquire all of the issued and outstanding shares of a company for \$8,685,000 in cash and the issuance of 2,461,540 Enseco common shares and rights to acquire additional 237,000 common shares. This acquisition is subject to a number of closing conditions. The company is engaged in the business of oilfield service equipment manufacturing.

All of the Opcos are private companies and are not listed for trading on any stock exchange or other market.

All other material terms of the Arrangement Agreement remain unchanged. For further particulars regarding the material terms of Arrangement, please refer to Nexia's press release dated March 30, 2006, which is available at www.sedar.com. A complete copy of the amended and restated Arrangement Agreement will be available at www.sedar.com shortly. Further information regarding Enseco may be found at www.enseco.ca.

Further details regarding the Arrangement will be provided in the information circular to be mailed to Nexia shareholders in connection with the meeting of shareholders that will be held to consider the Arrangement.

Shareholders are cautioned that the completion of the Arrangement is subject to the approval of Nexia's shareholders and to a number of other conditions precedent. No assurance can be given that the Arrangement will be completed within the presently contemplated time frame or at all. It is expected that trading in the shares of Nexia will remain halted until the Arrangement is completed.

Biosteel®

Nexia continues to be engaged in discussions and product sampling with a number of parties who are interested in Nexia's transgenic technologies for the production of recombinant spider silk (BioSteel®). Nexia's transgenic goat herd has increased to 60 animals that are cared for in a 10,000 sq. ft. breeding and milking facility. Milk containing spider silk protein is being sent to the University of Wyoming for processing. Purified BioSteel® is then provided to companies and institutions who have an interest in developing Nexia's technologies.

On June 6, 2006, Nexia received patent 7,057,023 entitled " Methods and Apparatus for Spinning Spider Silk Protein" from the US patent office. This patent claims manufacturing methods for spinning fibers from spider and silkworm silk proteins produced from mammalian cell culture and transgenic animals and plants. Nexia has renewed its exclusive spider silk gene licensing agreement with the University of Wyoming for all commercial fields relevant to Nexia and has extended its financial support for research into silk protein chemistry and fiber spinning. Nexia will continue to pursue opportunities and expend research and development capital to advance the commercialization of BioSteel®.

PharmAthene, Inc.

PharmAthene, Inc. previously announced that it had entered into a term sheet providing for the merger of PharmAthene, Inc. and Siga Technologies, Inc. (NASDAQ: SIGA). On June 9, 2006, PharmAthene, Inc and Siga Technologies, Inc. issued a press release announcing that they had signed a definitive agreement relating to the proposed merger. The press release stated that “the combined company, which will operate under the “PharmAthene” name, will be a leader in biodefense products targeting anthrax, smallpox and chemical nerve agents, as well as a robust pipeline of therapeutic and prophylactic drug candidates targeting Category A biowarfare agents and emerging infectious diseases”. The completion of the merger transaction is subject to a number of conditions including shareholder and regulatory approval. Further information may be obtained at www.pharmathene.com and www.siga.com.

FORWARD LOOKING STATEMENT AND OTHER IMPORTANT INFORMATION

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. Nexia specifically disclaims any obligation to update these forward-looking statements. Nexia assumes no responsibility with respect to any information contained herein relating to any entity other than itself.

Website addresses referred to herein are provided for convenience purposes only and information contained therein is not incorporated herein by reference, nor does Nexia assume any responsibility in connection therewith. For more information, please visit www.sedar.com.

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The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.