



Nexia Biotechnologies Ltd.
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**Nexia Announces Stock Exchange Listing, PharmAthene Amalgamation Proposal,
New BioSteel Patent and Second Quarter 2007 Results**
(in Canadian dollars)

Edmonton, Alberta, Canada, January 22, 2007: Nexia Biotechnologies Ltd. ("Nexia") (CNQ: NXBL-Z) today provided a corporate update and released financial results for the six-month period ended November 30, 2006.

Corporate Update

Nexia announced that it will begin trading on Canada's new stock exchange, the CNQ (www.cnq.ca), on Tuesday, January 23, 2007. Nexia's trading symbol is NXBL.

Today, PharmAthene, Inc. has announced a merger proposal with Health Care Acquisition Corp., which trades on the AMEX under ticker HAQ. Nexia has a significant investment in PharmAthene, Inc. Nexia shareholders are advised to follow developments in this transaction through the public announcements made by PharmAthene (www.phamathene.com) and by Health Care Acquisition Corp, a U.S. SPAC with over \$65 million in cash assets.

Nexia has received an Issue Notification from the United States Patent and Trademark Office, for U.S. Patent No. 7,157,615. This patent strengthens and protects our intellectual property with respect to the production of biofilaments in transgenic animals.

Nexia has shipped transgenic goat milk to the University of Wyoming where BioSteel® is being purified and made available for research in industrial, medical device and nanotech applications. Nexia welcomes back Dr. Costas Karatzas, the former Senior VP of R&D of Nexia Biotechnologies Inc., as a consultant, who will assist in pursuing all possible strategies to maximize shareholder value.

The reorganization process with respect to Enseco Energy Services Corp. ("Enseco") was completed in late October 2006. Enseco has confirmed that it has obtained conditional listing approval from the TSX. Nexia shareholders will receive their pro-rata share of 2,125,000 Enseco shares, prior to those shares beginning to trade.

Second Quarter 2007 Financial Results

The loss for the quarter and six-months ended November 30, 2006 was \$289,000 (\$0.01 per share). The loss represents operations for the period from the asset transfer on October 23, 2006, from Nexia Biotechnologies Inc., to November 30, 2006. No comparative figures have been presented as Nexia did not have operations in the previous year.

ABOUT NEXIA

For more information, please visit Nexia's website at www.nexiabiotech.com. Nexia's complete continuing disclosure documents, including: the second quarter 2007 report and interim financial statements, MD&A, can be accessed through Company's securities filings at www.sedar.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. BioSteel® is a registered trademark of Nexia Biotechnologies Ltd.. in Canada.

CONTACT INFORMATION

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