



---

## **NEXIA ANNOUNCES MAILING OF ARRANGEMENT CIRCULAR**

**Edmonton, Alberta, Canada, September 22, 2006.** Nexia Biotechnologies Inc. ("Nexia") announces that the joint information circular ("Information Circular") and proxy statement with respect to the previously announced Plan of Arrangement (the "Arrangement") among Nexia, Enseco Energy Services Corp. ("Enseco"), Enseco Management Corp. ("ManagementCo") and 6539718 Canada Inc. ("New Nexia") has been mailed to shareholders. The Information Circular contains a detailed description of the Arrangement and will be available on SEDAR ([www.sedar.com](http://www.sedar.com)) shortly. The special meetings of holders ("Nexia Shareholders") of common shares of Nexia and holders ("Enseco Shareholders") of common shares of Enseco to vote on the Arrangement are to be held on October 16, 2006 at 9:00 am (Calgary time) and 10:00 am (Calgary time), respectively.

Pursuant to the Arrangement, Nexia's existing assets including its Biosteel® assets, its investment in PharmAthene Inc. and cash will be transferred to New Nexia and Nexia will amalgamate with Enseco, an oil and gas service company, and ManagementCo, a private investment company, to form an entity which will carry on business under the Enseco name as an oil and gas service company. Nexia Shareholders will indirectly exchange each common share of Nexia for 0.08842 of a common share of the amalgamated entity and one common share of New Nexia. As a result of these transactions, Nexia Shareholders will own approximately 9.3% (fully diluted) of the common shares of Enseco, while maintaining a non-diluted interest in Nexia's biotech assets.

Prior to mailing, the Arrangement Agreement was amended to extend the time for mailing the Information Circular and obtaining an interim order of the Court of Queen's Bench of Alberta (the "Court") concerning the Arrangement until September 30, 2006 and to extend the time for shareholder approval and obtaining a final order of the Court until November 15, 2006. The interim order has been obtained and the Information Circular has been mailed. It is anticipated that shareholder approval will be obtained at the meetings to be held on October 16, 2006 and that the final order of the Court will be sought shortly following the meetings.

The resolution approving the Arrangement must be approved by 66 $\frac{2}{3}$ % of the votes cast by the Nexia Shareholders in person or by proxy at the Nexia meeting. The resolution approving the Arrangement must also be approved by 66 $\frac{2}{3}$ % of the votes cast by the Enseco Shareholders voting in person or by proxy at the Enseco meeting. All Nexia Shareholders and Enseco Shareholders are encouraged to vote in person or by proxy at their respective meetings.

### **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](http://www.sedar.com).

For further information please contact:

David Tonken,  
President and CEO  
Nexia Biotechnologies Inc.  
(780) 486-2317  
[tonken@icrossroads.com](mailto:tonken@icrossroads.com)

Greg Matthews  
Director  
Nexia Biotechnologies Inc.  
(403) 278-3749  
[gregmatthews@shaw.ca](mailto:gregmatthews@shaw.ca)

or

Kelly M. Nichol  
President and CEO  
Enseco Energy Services Corp.  
(403) 806-1650  
[knichol@enseco.ca](mailto:knichol@enseco.ca)

Scott Ratushny  
Director  
Enseco Energy Services Corp.  
(403) 514-8115-ext. 223  
[scott@pilot-energy.com](mailto:scott@pilot-energy.com)

***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.***