



**Nexia Biotechnologies Ltd.**  
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## **NEXIA ANNOUNCES ASSET DIVERSIFICATION**

Edmonton, Alberta, Canada, May 7, 2007: Nexia Biotechnologies Ltd. ("Nexia") (CNQ: NXBL) announced today that it has diversified its assets. Presently, a substantial amount of Nexia's assets are represented by an investment in a private U.S. bio-defense company. Other assets include Nexia's transgenic goat herd and its BioSteel® development business. Nexia believes that its investment profile is too narrow and should be diversified. In accordance with its diversification initiative, Nexia has borrowed the sum of U.S. \$5,000,000. Proceeds of the loan will be used to diversify Nexia's assets. The loan is secured against Nexia's assets and is due in full in 18 months. The lender may elect to be repaid in cash or U.S. \$2,500,000 in cash plus 33.85 % of the securities of the U.S. bio-defense company. The loan bears interest at the rate of 6% per annum.

### **ABOUT NEXIA**

For more information, please visit Nexia's website at [www.nexiabiotech.com](http://www.nexiabiotech.com). Nexia's continuous disclosure documents can be accessed through Nexia's securities filings at [www.sedar.com](http://www.sedar.com).

### **FORWARD-LOOKING STATEMENTS 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). BioSteel® is a registered trademark of Nexia Biotechnologies Ltd. in Canada.

### **CONTACT INFORMATION**

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