



Nexia Biotechnologies Inc.
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Nexia Provides Corporate Update and Announces First Quarter 2008 Results

Edmonton, Alberta, Canada, October 30, 2007: Nexia Biotechnologies Ltd. ("Nexia") (CNQ: NXBL) today provided a corporate update and released financial results for the quarter ended August 31, 2007.

CORPORATE UPDATE

During the quarter, PharmAthene Inc. completed a merger with Healthcare Acquisition Corp. Nexia has 1,715,975 shares of the combined entity which trades on the Amex, ticker: PIP. 50% of Nexia's shares will be released from lock-up restrictions on February 3rd, 2008 with the remaining shares released on August 3rd, 2008.

The Board of Directors has determined to diversify the investment portfolio, in order not to be exposed to one, illiquid, share position. To this extent, Nexia entered into a US \$5 million loan agreement, of which CDN \$4.4 million has been invested in Biomerge Industries Limited. (NEX: BIL). Management will continue to review and leverage our investment portfolio to diversify our exposure to financial risk and to provide Nexia with revenue and value opportunities.

Management is working with the University of Wyoming, and other academic and corporate parties, to identify a commercial use for BioSteel[®]. The high cost of biomaterial has led management to pursue potential applications in nanotechnology. We have increased our milk production and our outsourcing activities will provide BioSteel[®] to those who are conducting research into this field.

An annual shareholders meeting has been scheduled for December 12th, 2007. Shareholders are encouraged to attend in person to discuss the ongoing state of affairs of Nexia.

QUARTER ENDED AUGUST 31, 2007 FINANCIAL RESULTS

For the quarter ended August 31, 2007 net income of \$546,000 (\$0.02 per share) was realized compared to a loss of \$180,000 (\$0.01 per share) for the comparative quarter. Overall cash R&D, administrative and business development expenditures were \$181,000 in 2007 compared to \$185,000 in 2006. Interest expense and accretion on term loan of \$393,000, \$320,000 of which was non-cash, were offset by a non-cash fair value adjustment of the term loan of \$996,000 and a net foreign exchange gain on term loan of \$53,000 related to the US dollar denominated term loan.

ABOUT NEXIA

For more information, please visit Nexia's website at www.nexiabiotech.com. Nexia's complete continuing disclosure documents, including: the 2007 and 2008 interim and annual reports, financial statements and the 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 Inc. in Canada.

CONTACT INFORMATION

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