

Osta Biotechnologies Inc.
Press Release
For immediate distribution

**OSTA BIOTECHNOLOGIES ANNOUNCES RESULTS OF ANNUAL MEETING OF
SHAREHOLDERS, AMENDS STOCK OPTION PLAN**

Montreal, Quebec – July 24, 2006 – **Osta Biotechnologies Inc. (TSX-V: OBI)** announces that at the annual and special meeting held on June 29, 2006, Osta's shareholders re-elected a Board of Directors comprised of Dr. Ajay Gupta, Dr. Andrew Karaplis, Dr. Aldo Baumgartner, Mr. Paul L'Archêveque, Mr. Leontis Teryazos, Mr. Richard Spizzirri, Mr. James W. Beckerleg and Mr. James H. Coleman. Dr. Gupta is the Chairman of the Board and Chief Executive Officer of Osta and Dr. Karaplis is the President. The shareholders also re-appointed WSBG LLP, Chartered Accountants, as auditors of the corporation.

Osta also announces that, subject to regulatory approval, its Board of Directors has approved an amendment to the company's stock option plan by reserving an additional 1,169,479 common shares for issuance under the plan. As a result of the amendment, a total of 4,000,000 common shares may be issued under the plan. The shareholders approved the amendment to the stock option plan at the annual and special meeting.

There are currently 28,305,219 common shares of Osta issued and outstanding.

Osta Biotechnologies Inc. is a biopharmaceutical company listed on the TSX Venture Exchange (TSXV: OBI) dedicated to developing novel diagnostics and therapeutics for the aging population, particularly in the areas of Alzheimer's disease, Osteoporosis, Osteoarthritis, Aging and Cancer.

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You can also visit our Web Site: www.ostabiotechnologies.com

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy for this release.

Certain information in this press release is forward-looking and is subject to numerous risks and uncertainties. By their nature, such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. These risks include actions of Osta's competitors, and those inherent in scientific research and development.