

Osta Biotechnologies Inc.
Press Release
For Immediate Distribution

PROSTATE CANCER CANADA GRANTS AWARD TO OSTA'S PRINCIPAL INVESTIGATOR

MONTREAL, QC – August 18, 2009 - Osta Biotechnologies Inc. today announced that its principal investigator for the pre-clinical studies on its cancer program, Dr. Moulay Alaoui-Jamali has been awarded a grant of \$60,000 by Prostate Cancer Canada, a Canadian National Foundation dedicated to the elimination of prostate cancer through research, education, support and awareness. This award has been granted to advance the basic science behind HO-1 signaling in hormone refractory prostate cancer. This research will have potential long-term implications for understanding the impact of Osta's novel HO-1 inhibitors on HO signaling and advanced prostate cancer. This study is conducted in collaboration with Dr. Ajay Gupta, Osta Biotechnologies; Dr. Walter A. Szarek, a Professor Emeritus, Department of Chemistry, Queen's University, Kingston, Ontario; Dr. Tarek Bismar, an Associate Professor at the Southern Alberta Cancer Institute, Departments of Pathology & Laboratory Medicine and Oncology, University of Calgary, Alberta and Dr. Hyman M. Schipper, a Professor at the Department of Neurology and Medicine at the Jewish General Hospital and McGill University.

Dr. Alaoui-Jamali, the Principal Investigator of this study and a Professor of Medicine at McGill University and the Group Leader of Drug Discovery at the Segal Cancer Centre of the Jewish General Hospital, commented "We are very pleased to have received this award, which will allow us to pursue the basic science leading to the understanding of HO-1 function in the progression of prostate cancer".

Dr. Ajay Gupta, Chairman & CEO of Osta commented "The successful granting of this research proposal through a Canadian National competition and a peer-review process is very exciting and reflects the recognition of HO signaling in cancer by the scientific community. Certainly, the basic knowledge generated from this work will help advance Osta's cancer therapeutic program directed towards the development of its novel HO-1 inhibitors to treat advanced prostate cancer."

Osta Biotechnologies Inc.

Osta 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 Cancer, Alzheimer's disease, Osteoporosis, Osteoarthritis and XLH.

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