

Osta Biotechnologies Inc.
Press Release
For Immediate Distribution

OSTA REPORTS SIGNIFICANTLY ENHANCED ANTI-METASTATIC ACTIVITY OF ITS NEW EXPERIMENTAL DRUG FOR PROSTATE CANCER

MONTREAL, QC – June 18, 2008 - Osta Biotechnologies Inc. today announced promising results of a pre-clinical efficacy optimization study on its lead anti-cancer therapeutic agent OB-24, in a highly aggressive & metastatic human prostate cancer model. Data from this study showed that the combination of OB-24 and taxol greatly potentiated taxol's anti-tumor activity and completely prevented the formation of both macroscopic and microscopic lymph node metastases. The data highlights the enormous potential of OB-24 as a highly effective anti-cancer drug, which either alone or in combination with other chemotherapeutic agents such as taxol, could become an effective new approach for the treatment of metastatic, androgen-refractory and chemotherapy resistant human prostate cancer.

The study was conducted in an androgen independent metastatic human prostate cancer pre-clinical model. The highly metastatic and aggressive human prostate carcinoma PC-3M cells were implanted into the mouse prostate to mimic the actual tumor micro-environment as it occurs in humans. Data from this pre-clinical study showed statistically significant reduction in the tumor volumes in mice treated with OB-24 via intravenous injections compared to untreated mice. Multiple intravenous (i.v.) injections of OB-24 at 30mg/kg were well tolerated with no apparent toxicity. The activity of i.v. OB-24 at 30 mg/kg dose was higher than the same dose given intraperitoneally (i.p.). Data from this study demonstrate the therapeutic bioavailability of OB-24 when administered i.v. and confirm the findings of a previous study that was made public on March 11, 2008, which showed a statistically significant reduction in prostate tumor weights in mice treated with OB-24 compared to untreated mice, a comparable reduction in tumor weights in mice treated with taxol and OB-24, and a significant synergistic effect when OB-24 was combined with taxol.

Dr. Ajay Gupta, Chairman & CEO of Osta commented "We are quite excited with these results as our lead anti-cancer drug OB-24, is continuing to show consistent promise as a novel class of a powerful anti-cancer and anti-metastatic drug, especially when used in combination with the standard of care drugs such as taxol. We are continuing to optimize the route of administration of OB-24 in aggressive and metastatic prostate cancer models. The successful development of OB-24 either alone or in combination with existing chemotherapy drugs for the treatment of androgen-refractory and chemotherapy resistant human prostate cancer, would represent a major breakthrough in the treatment of this devastating disease."

Results of the Pre-Clinical Study

The pre-clinical study was conducted in collaboration with Dr. M. Alaoui-Jamali, a Professor of Oncology & Senior Scientist at McGill University and the Leader of Drug Discovery Group at the Segal Cancer Centre of the Jewish General Hospital. In a pre-clinical study involving a total of 48 Scid male mice implanted with human metastatic prostate cancer PC-3M cells in the mouse prostate, the tumor volumes were found to be statistically significantly smaller in mice treated i.v. with OB-24 at 30 mg/kg daily for 12 days (58% inhibition) compared to untreated mice and compared to mice treated i.p. with OB-24 at 30 mg/kg daily for 12 days (34%). Remarkably, OB-24 at 30 mg/kg given i.p. daily for 12 days in combination with taxol at 10 mg/kg administered i.p. for 3 cycles (3 days per cycle), led to a 86% inhibition in tumor growth a compared to the mice treated with taxol alone (64%). Also, OB-24 at 30 mg/kg given i.v. daily for 12 days in combination with taxol at 10 mg/kg administered i.p. for 3 cycles (3 days per cycle), led to a 94% inhibition in tumor growth compared to the mice treated with taxol alone (64%). In addition, there was a complete inhibition in the formation of both macroscopic and microscopic lymph node metastases in mice treated with OB-24 at 30 mg/kg given i.p. or i.v. daily for 12 days in combination with taxol at 10 mg/kg administered i.p. for 3 cycles (3 days per cycle), compared to a 82% reduction in microscopic lymph node metastases in mice treated with taxol alone at 10 mg/kg administered i.p. for 3 cycles (3 days per cycle). The reduction in microscopic lymph node metastases in mice treated with OB-24 alone at 30 mg/kg given i.p. daily for 12 days was 59% compared to a reduction of 76% in microscopic lymph node metastases in mice treated with OB-24 alone at 30 mg/kg given i.v. daily for 12

days. These results clearly indicate that OB-24 synergizes with taxol by making this major chemotherapeutic agent significantly more effective.

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.

For further information, please contact:

Osta Biotechnologies Inc.
Mr. Alain Geahchan
Director of Operations
(514) 567-5505

Osta Biotechnologies Inc.
Dr. Ajay Gupta
Chairman & CEO
(514) 626-0322

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