



FOR IMMEDIATE RELEASE

TSX symbol: SBS

BOTANECO RECEIVES ADDITIONAL MILESTONE PAYMENTS FROM AVAC LTD.

CALGARY, Alberta – February 26, 2009 – Botaneco Specialty Ingredients Inc. ('Botaneco') today announced that it has received milestone payments of non-dilutive funding from AVAC totaling CDN\$1,173,000. The milestones Botaneco completed include raising more than \$3 million of external financing, recruiting a permanent Chief Executive Officer, and the development of new applications from its technology platform as demonstrated by the launch of its second-generation product, Hydresia™ G2. To date, Botaneco has received CDN\$1,923,000 of a potential CDN\$2,400,000 committed by AVAC for the achievement of specific commercial targets.

“AVAC’s support, specifically on the commercialization of Hydresia™, has been critical to our ongoing progress,” said Andrew Baum, president and chief executive officer of Botaneco. “Botaneco is continuing to work with leading personal care companies to integrate Hydresia™ into their finished formulations, and we expect significant Hydresia™-based product launches by our customers this year. We will also be introducing new Hydresia™ ingredients this year as part of our ongoing effort to meet the specific needs of our customers.”

In return for its investment, AVAC is entitled to receive a royalty on gross revenues generated by Botaneco beginning in the fourth quarter of 2009, until an aggregate return of a maximum of two times the gross amount invested by AVAC has been remitted.

About Botaneco Specialty Ingredients Inc.

Botaneco is the global developer and marketer of innovative oleosome-based ingredients to the personal care and OTC topical markets. As a technologically driven provider of high performance, proprietary oleosome-based ingredients, Botaneco is committed to developing innovative ingredients that offer multifunctional, tangible and documented benefits to both formulators and consumers. Botaneco’s head office and manufacturing facility is located in Calgary, Canada and its satellite office in Bensalem, PA. More information is available and can be accessed at www.botaneco.ca.

This press release contains certain forward-looking statements, including, without limitation, statements containing the words "believe", "may", "plan", "will", "estimate", "continue", "anticipate", "intend", "expect" and other similar expressions which constitute "forward-looking information" within the meaning of applicable securities laws. Forward-looking statements reflect the Company's current expectation and assumptions, and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. These forward-looking statements involve risks and uncertainties including, but not limited to, changing market conditions and market size, the acceptance of an IND by the FDA in respect of clinical studies, the submission of a CTA to the appropriate European authorities, the successful initiation and timely and successful completion of clinical studies, the fact that Apo AI is currently a development stage drug, the establishment of corporate alliances, the impact of competitive products and pricing, new product development, uncertainties related to the regulatory approval process and other risks detailed from time-to-time in the Company's ongoing filings with the Canadian securities regulatory authorities which filings can be found at www.sedar.com. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements either as a result of new information, future events or otherwise, except as required by applicable Canadian securities laws.

NEWS RELEASE

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