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Performance Combined With Natural Fuels Botaneco Launch

Canadian Biotech SemBioSys Enters Skincare Market with Dedicated Business Unit

Calgary, Alberta – August 20, 2007 – The way in which many cosmetics and personal care items are developed is about to change, thanks to the creation of a newly formed, dedicated business unit from Canadian based biotechnology company SemBioSys (TSX: SBS), called Botaneco.

The Botaneco business unit will manufacture and market branded lines of high performance, naturally derived base emulsions and delivery systems used in the development of cosmetics, personal care and prescription topical/dermatology products. Botaneco will leverage SemBioSys' proprietary technology, a first in class system that harnesses the naturally occurring and multifunctional benefits of seed oilbodies, to offer a smart alternative to current industry mainstays such as petroleum and other chemically derived products.

"The Botaneco business unit gives SemBioSys increased control over its commercial activities targeting the multi-billion dollar personal care and dermatology marketplace, and offers SemBioSys a focused organization with all the resources to make this launch successful for our customers and our stakeholders," SemBioSys president and CEO Andrew Baum says. "The launch of Botaneco represents another milestone in the implementation of our overall strategy in which our non-pharmaceutical products generate revenues in the short term, while longer term revenues are derived from our pharmaceutical pipeline."

Being natural no longer means sacrificing performance, according to Botaneco managing director Nancy Markley, Ph.D. The first Botaneco branded product utilizing the SemBioSys technology is slated to be launched in the fourth quarter of 2007. This natural, oil body based emulsion provides an all in one system for emulsification, and delivers superior hydration, skin barrier protection and absorption of nutrient rich moisturizers and emollients as well as enhanced performance of skincare actives.

Markley adds that Botaneco is currently embarking on an educational campaign to inform consumers and business partners of the smart benefits of going green with Botaneco – economically and ecologically.

About Botaneco

From development through delivery, Botaneco is a performance based, technologically advanced botanical science organization that manufactures and markets a branded line of products that harness the naturally occurring benefits of protein protected seed oils. Botaneco provides performance, innovation and choice in creating natural, renewable and versatile delivery systems and ingredients used in the development of cosmetics, personal care and prescription topical/dermatology products beneficial to humans and the environment. More information can be accessed at www.botaneco.ca.

About SemBioSys

With headquarters in Calgary, Alberta, SemBioSys Genetics Inc. is a biotechnology company developing protein-based pharmaceuticals for metabolic and cardiovascular diseases. The Company's lead pharmaceutical candidates are recombinant human insulin to serve the rapidly expanding global diabetes market and Apo AI, a next generation cardiovascular drug. In addition to its pharmaceutical products, SemBioSys is developing a series of non-pharmaceutical products addressing animal and aquaculture health, nutritional oils and human topical markets. More information is available and can be accessed at www.sembiosys.com.

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 Canadian 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, the successful and timely completion of clinical studies, 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.

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