



For Immediate Release
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AlgaeBio begins \$5-million, first-phase plant expansion in Arizona

VANCOUVER — Algae Biosciences Corporation is making its move to the nutraceutical big leagues.

In its bid to become a major player in the global microalgae industry, AlgaeBio is engaging immediately in a \$5-million, first-phase expansion of its production facilities near Holbrook, Ariz., a move that will allow the company to reach large-scale commercial production levels of omega-3 fatty acid oils by the end of the calendar year.

AlgaeBio (TSX.V:ABV), a Canadian public biotechnology company, began trading on the TSX Venture Exchange in early May.

“This is a major step forward for AlgaeBio,” says Robert J. Thompson, AlgaeBio’s Chairman. “At the moment, market demand for omega-3 fatty acid oils eclipses industry production capacity by a wide margin.

“With a quick and efficient first phase of plant expansion, we will soon be able to deliver AlgaeBio’s ultra-pure products to waiting customers in the nutraceutical and food additive industries.”

AlgaeBio’s omega-3 fatty acid oils, produced from refined strains of marine algae via proprietary extraction methods, contain both EPA (eicosapentaenoic acid) and DHA (docosahexaenoic acid). The vast majority of competing products offer only DHA, and many are purity challenged.

Phoenix’s MMI Construction Services has won the contract to manage and execute this first phase of AlgaeBio’s plant expansion, with an anticipated completion date of Dec. 31, 2011.

Media Advisory: Algae Biosciences Corporation

The initial phase of expansion calls for the manufacture and incorporation of 1,500 of AlgaeBio's proprietary bioreactors, as well as harvesting and support equipment, which will be housed in a new addition to the facility.

By late 2012, AlgaeBio will produce a monthly total of 5,900 kilograms of whole algae powder — yielding 1,060 kilograms of omega-3 fatty acid oil and 4,250 kilograms of high-protein algae meal, with 590 kilograms of that original figure retained as whole algae powder. Those monthly figures will rise to 16,400 kilograms of whole algae powder — resulting in 4,000 kilograms of omega-3 fatty acid oil, 11,000 kilograms of algae meal, and 500 kilograms retained as whole algae powder — by the end of 2013.

The first phase of expansion will also see AlgaeBio's present complement of seven full-time Arizona employees — five of whom have been hired since May — expand to 10 by September 2012, 15 by September 2013, and 19 by September 2014.

MMI Construction Services has an impressive track record in tank, fabrication, and industrial projects.

“Industrial construction is our forte. We handle everything from water treatment plants to process piping for specialty liquids,” says Jeremy Fuller, Business Development Manager with MMI Construction Services. “We're very comfortable with this project. There's nothing about it that's making our project manager blink.

“We're excited to get to work on it.”

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ABOUT ALGAE BIOSCIENCES CORPORATION: AlgaeBio is a Canadian biotechnology company that researches, develops, and manufactures ultra-pure products from micro and macro algae such as nutraceuticals, food additives, and pharmaceuticals. With access to near-perfect algae growing conditions, exclusive aquaculture access to a pristine brine water supply, and advanced proprietary technology, AlgaeBio produces superior human and animal consumable products, as well as offering advanced algae-based products and technologies for distribution into the agribusiness, biofuel, and aquaculture markets. AlgaeBio owns and operates large-scale production facilities near Holbrook, Ariz., and is listed on the TSX Venture Exchange (TSX.V:ABV).

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