

Stellar Biotechnologies Achieves Major Milestone

January 25, 2011

Port Hueneme, CA Stellar Biotechnologies, Inc. (TSX-V: [KLH](#)) (PINKSHEETS: [SBOTF](#)) is pleased to announce successful completion of preclinical toxicity and immunogenicity testing of Stellar IMG KLH and Stellar Subunit KLH in rodent and non-rodent species. These early tests support key, new product ideas put forward by the Company.

These experiments enabled the Company to realize one of the three-part set of important milestones that are critical to the development of Stellar KLH/IMG for human use, as a standardized, primary immune response diagnostic .

New, unexpected, positive results derived from the experimental data include:

- the possibility of Stellar developing a standardized, preclinical immunotoxicity diagnostic product for a growing market that could provide near-term revenues, and
- the possibility of Stellar defining, through continued important research, new products for large and growing markets for Stellar KLH where KLH is not currently used or considered.

The results of this research were presented to the Board of Directors last week by Dr. Chow, and were accepted by the Board as completion of a critical milestone in Stellar's Performance Share plan, as detailed in the Company's 2010 Filing Statement: "completion of preclinical toxicity and immunogenicity testing of IMG KLH and Subunit KLH in rodent and non-rodent species as evidenced by acceptance by study protocols and completion reports available to support customer USFDA and EMEA filings." The Company believes this work represents the realization of a commitment made to shareholders in April of 2010, and is an exciting driver for corporate value. By resolution, the Board congratulated the Company's efforts, and authorized the release of a total of 3,333,333 common shares to the named individuals in the Performance Share plan.

Herb Chow, Ph.D., Stellar's VP Product Development said, "While we succeeded beyond our targeted endpoints with the generated data, it is most exciting to believe that KLH will dramatically change the ways cancer vaccines are administered, and we found reason to believe we may be on the track of valuable new IP regarding KLH. This IP may be both patentable and generate significant trade secrets, which could allow us to enter one early-to-market product, and, more importantly, develop Stellar KLH for an important future use that was not previously contemplated."

Stellar Biotechnologies, Inc. (TSX-V: [KLH](#)) (PINKSHEETS: [SBOTF](#)) (www.StellarBiotechnologies.com) is a world leader in sustainable manufacturing of pharmaceutical grade immune carrier proteins (ICP), particularly with regard to the present most important pharmaceutical protein in this class, KLH (Keyhole Limpet

Hemocyanin). This evolutionary protein has a highly complex structure that makes it ideal for use in human and animal vaccines and diagnostic products. With partners and customers, its flagship Stellar KLH products are in the clinic, and on the way to being established as the only sustainable, long-term pharmaceutical source.

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