



FOR IMMEDIATE RELEASE

October 31, 2007

Novozymes to Make Bid to Acquire Philom Bios

SASKATOON, SK – Philom Bios Inc. (Philom Bios) announced today that it has entered into a pre-acquisition agreement whereby Novozymes Biologicals Holding A/S (“Novozymes”), a wholly-owned subsidiary of Novozymes A/S, will make an all-cash offer to acquire all of the issued and outstanding shares of Philom Bios by way of a take-over bid. The cash price will be CAD \$6.50 per share, valuing the transaction at approximately CAD \$25.6 million on a fully-diluted basis.

The Board of Directors of Philom Bios has unanimously approved the offer as contemplated in the pre-acquisition agreement and concluded that the transaction is in the best interests of the Philom Bios shareholders. In addition, the Board of Directors has unanimously resolved to recommend that all Philom Bios shareholders tender their common shares to Novozymes’ offer.

In connection with Novozymes’ offer, certain shareholders and all of the directors and officers of Philom Bios have entered into lock-up agreements with Novozymes and pursuant to which they have agreed to tender all of their common shares to the offer representing more than 70% of the issued and outstanding common shares of Philom Bios calculated on a fully-diluted basis.

Full details on the Novozymes offer will be included in a take-over bid circular and related documents which will be filed with securities regulators and mailed to Philom Bios shareholders.

The agreement includes customary non-solicitation covenants. The offer is subject to customary conditions contained in the formal offer documents, including the tendering of at least two-thirds of Philom Bios’ outstanding common shares on a fully-diluted basis.

Novozymes will fund its all-cash take-over bid by using cash.

Advisors

Financial advisers: Verdant Partners LLC (Champaign, IL, USA)
Legal adviser: McDougall Gauley LLP (Saskatoon, Canada)

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About Philom Bios

Philom Bios is a world leading Inoculant Company with over 70 employees across North America in research, manufacturing, marketing and management and in its joint-venture operations in Australia. Headquartered in Saskatoon, SK, Philom Bios is a Canadian public company serving the needs of farmers with high-value inoculants. Philom Bios has an over 25 year commitment to farmers through a dynamic partnership with distributors and leading retailers. Read more at www.philombios.com.

About Novozymes

Novozymes is the world leader in bio-innovation. Together with customers across a broad array of industries, Novozymes creates tomorrow's industrial bio-solutions, improving its customers' business and the use of our planet's resources. With over 700 products used in 130 countries, Novozymes' bio-innovations improve industrial performance and safeguard the world's resources by offering superior and sustainable solutions for tomorrow's ever-changing marketplace. Read more at www.novozymes.com.

Legal Notices

This release does not constitute an offer to purchase or a solicitation of an offer to sell securities.

Philom Bios shareholders are advised to review the circular and any other relevant documents to be filed with the Canadian securities regulatory authorities because they will contain important information. Those materials will be mailed to Philom Bios shareholders at no expense to them. In addition, investors will be able to obtain the documents free of charge through the System for Electronic Documents Analysis and Retrieval (SEDAR) at www.sedar.com.

Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of applicable securities laws relating to Novozymes' proposal to acquire Philom Bios Inc., including statements regarding the terms and conditions of the proposed transaction. Readers are cautioned not to place undue reliance on forward-looking statements. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the risks that the parties will not proceed with a transaction, that the ultimate terms of the transaction will differ from those that currently are contemplated, and that the transaction will not be successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities). The statements in this news release are made as of the date of this release. Philom Bios undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of Philom Bios, its financial or operating results or its securities.

For more information:

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