



FOR IMMEDIATE RELEASE

February 1, 2007

Philom Bios Announces First Quarter Results

SASKATOON, SK — Philom Bios Inc. is pleased to report its results for the three months ended December 31, 2006.

Highlights:

- Financial

(\$000's, except earnings per share)	1st Quarter		Year to Date	
	2007	2006	2007	2006
Sales	50	223	50	223
Net Loss	(1,322)	(1,208)	(1,322)	(1,208)
Net loss per Share	(\$ 0.37)	(\$ 0.34)	(\$ 0.37)	(\$ 0.34)

- Net losses of \$1.3 million are representative of normal outcomes for first quarter operations due to nature of our business cycle.
- Cash outflows in the quarter reflect normal cost of operations and build up of inventories in preparation for spring sales season.
- North American launch of Next Generation TagTeam® inoculants for pea and lentil.

As noted above, first quarter losses of \$1.3 million are representative of normal outcomes as the Company incurs ongoing operating costs and builds up its inventories during this time in preparation for a spring sales season. Total operating costs for the quarter total \$1.8 million (2006 - \$1.7 million) with the increase over the prior year mainly reflective of growing commitments in marketing and sales costs associated with expanding U.S. operations and timing of certain advertising and promotion expenditures.

In this past quarter, the Company was pleased to announce the launch of Next Generation TagTeam® inoculants for pea and lentil, a technology delivering Best Yields and Best Value for North America's pea and lentil growers. In addition, the Company also reported that it has requalified as one of Canada's *Best Managed Companies* for 2006.

President/CEO Calvin Sonntag comments, "While, first quarter outcomes reflect the early part of our business cycle, we are pleased by initial customer support for our Next Generation TagTeam® inoculants. In addition, while we look to an improving farm economy relative to last year, it remains too early in our business cycle to confirm any anticipated earnings outcome for fiscal 2007."

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.

For More Information:

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