



**Innovative Biosensors, Inc.
Awarded \$1.6 Million Contract for
Biological Defense of Critical Buildings**

Rockville, MD, October 02, 2007 – Innovative Biosensors, Inc. (IBI), a company developing rapid, ultra-sensitive tests to detect harmful pathogens for both the biodefense and clinical infectious disease markets, today announced that it has been awarded a contract to provide reagents and technical support for the proprietary CANARY™ technology-based detection and identification system installed and implemented at one of the most important structures in the National Capitol Region.

The program includes manufacturing of reagents and equipment along with a project to develop new assays.

"We are honored to have the opportunity to provide this critical technical support and reagent supply to a program that protects such a vital asset in the National Capital Region," said Joe Hernandez, President and CEO of IBI. "This opportunity validates the value of our core technology in building protection and allows us to continue to expand our customer base.

About Innovative Biosensors, Inc.

Innovative Biosensors, Inc. is a privately held company developing novel technologies for the rapid detection of pathogens in biodefense applications and human clinical diagnostics. IBI's technology has been tailored to rapidly and sensitively detect biological threats in building security, military, and civil defense applications. Additionally, the technology platform is being used to develop rapid tests for the detection of hospital-acquired infections. Additional information is available at www.innovativebiosensors.com.

This release may contain forward-looking statements that are subject to certain risks and uncertainties, including Innovative Biosensors, Inc.'s mission to develop and commercialize instrument systems, Innovative Biosensors, Inc.'s ability to develop new technologies to conduct rapid diagnosis. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Innovative Biosensors, Inc. cautions investors that there can be no assurance that actual results or business conditions will not differ materially from those projected or suggested in such forward-looking statements as a result of various factors, including, but not limited to, the following: Innovative Biosensors, Inc.'s expectations that they will incur operating losses in the near future, the early stage of preclinical and clinical testing and trials, uncertainties surrounding the availability of additional funding, Innovative Biosensors, Inc.'s

reliance on research collaborations, the actions of competitors and the development of competing technologies, potential patent infringement claims against Innovative Biosensors, Inc.'s products, processes and technologies, Innovative Biosensors, Inc.'s ability to protect their patents and proprietary rights and uncertainties relating to commercialization rights.

Contact:

Joe Hernandez

President and CEO

Innovative Biosensors, Inc.

Phone: 301.517.0324

www.innovativebiosensors.com

info@innovativebiosensors.com