



NEPTUNE

technologies & bioresources

Brought to you by:

The **Howard Group** Inc.

TSX.V: NTB
August 2006

Trading Information

52 week high/low:	\$4.00/\$0.19
Basic Shares Outstanding:	33.10 m
Fully Diluted Shares Outstanding:	37.91 m
Mgmt & Insiders:	8.34 m (22%)

Recent Events & Announcements:

June 15/06: Neptune announces significant interim results of NKO™ on Attention Deficit Hyperactivity Disorder

May 4/06: Neptune announces a **BREAKTHROUGH** in Cholesterol Management; clinical results of a study combining Neptune Krill Oil (NKO™) and statins:

- Increased HDL by 51%
- Decreased LDL by 37%

April 26/06: Neptune announces Q3 results; Revenues increase 41% - 7th consecutive quarter of positive EBITDA.

April 20/06: Neptune Appoints Mr. Donald Allard, B.Pharm., D.P.H. as V.P. Sales & Marketing.

March 24/06: Neptune, in alliance with Terepia International Inc., launches its first three functional food products at the Natural Products Expo West Show in Anaheim, California.

Jan. 20/06: Neptune reorganizes its capital structure, diminishing interest expense and improving working capital with little dilution to shareholders.

Dec. 22/05: Neptune & Koyo Chemical Co announce a new Glucosamine/NKO™ blend.

Overview

Neptune Technologies and Bioresources Inc. extracts, scientifically validates, and markets superior, genuine natural health products from marine biomasses. Neptune's exclusive, proprietary extraction process provides its products with a range of bioactive ingredients. These ingredients are proven to naturally and effectively fight aging and oxidation and contribute to the maintenance of proper health and wellness while promoting longevity of life even at a very low daily dose. Neptune's immediate plans include a focus on the functional food market.

Neptune has discovered nature's solution to PMS, high cholesterol and joint pain—without side effects through its premier product, NKO™.

Neptune's products are proven to be effective through successful clinical studies:

- **Regulating Cholesterol**
 - Phase IIIa Clinical: NKO™ vs. fish oil - 34% LDL reduction (bad cholesterol), 44% HDL (good cholesterol) increase.
 - Combination of NKO™ and statins—37% LDL reduction, 51% HDL increase.
- **Relieving PMS** – Phase IIIa Clinical: NKO™ vs. fish oil – 42% improvement (both physical and emotional symptoms).
- **Relieving Chronic Inflammation** – Phase II Clinical; NKO™ vs. placebo – 30% reduction.

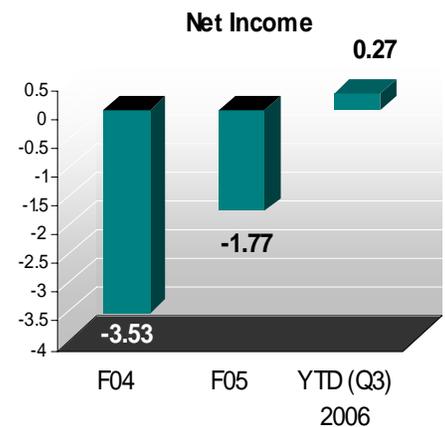
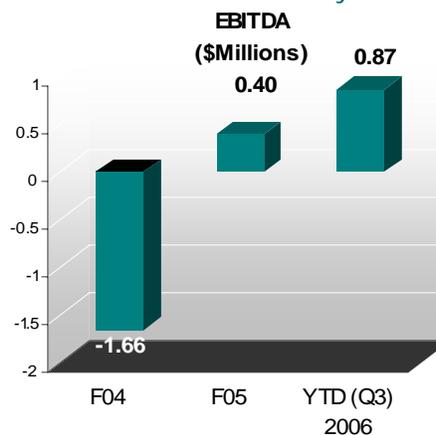
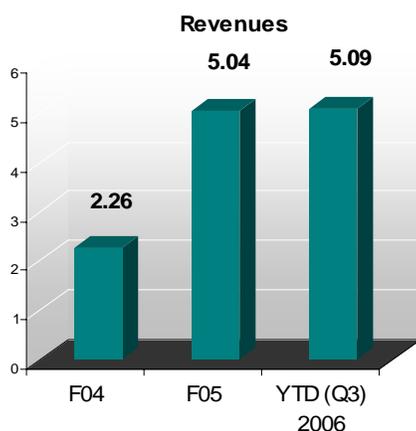
Investment Highlights

- NKO™ is the only oil from krill with FDA approval as a new dietary product and worldwide regulatory approval.
- Proprietary technology, extraction process, and processing facility.
- Proprietary composition of the oil and its molecules for health applications.
- Solid Management with credible spokesperson & VP Dr. Tina Sampalis.
- Multi-billion dollar nutraceutical/biopharmaceutical/functional food market.
- Worldwide regulatory approval for Neptune Krill Oil.
- Significant interest in the functional food market— functional foods are predicted to be the most successful health food products of the future.

Neptune is the first and only to exploit the full potential of krill, by commercially applying its patented cold vacuum extraction process.

Recent Financials (Millions)

Fiscal Year End May 31



Products



Neptune Krill Oil

Provides significant joint relief.

Offers significant emotional and physical relief of premenstrual syndrome (PMS).

Regulates blood lipids to healthy levels.

Improves quality of life; physical, mental and emotional health, and physical appearance.



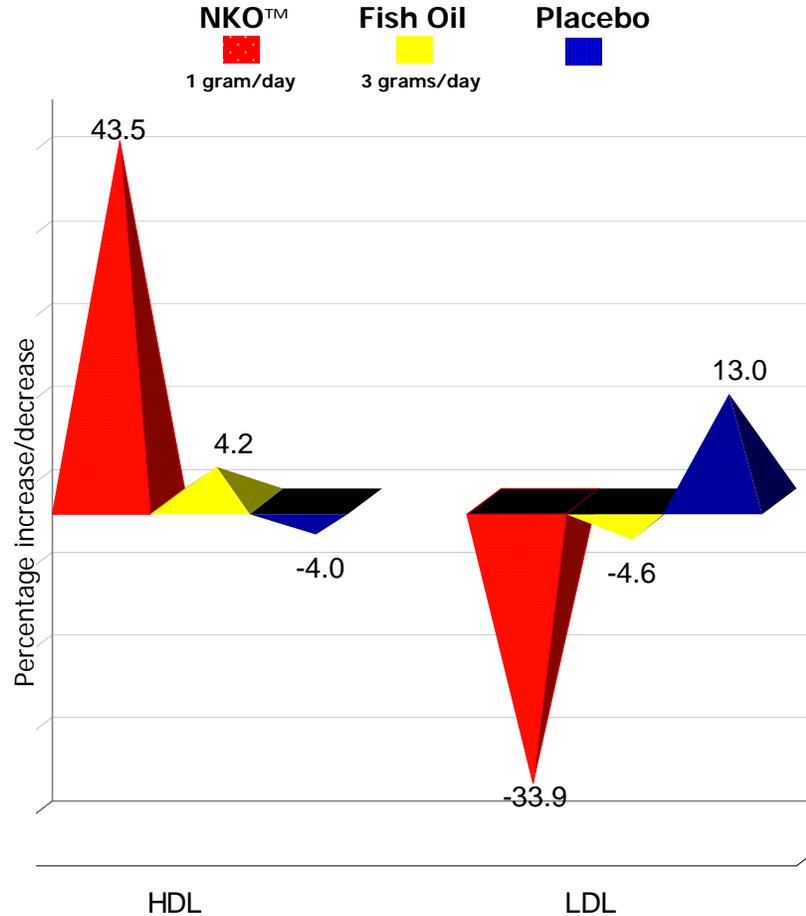
Clinically proven to increase HDL by 44% and decrease LDL by up to 34%.

A powerful natural balance of fatty acids, phospholipids and antioxidants. An excellent source of choline and omega 3-9.

Independent testing reveals the antioxidant power of  to be:

- Over 300 times greater than Vitamins A & E.
- Over 48 times greater than Omega-3 Fish Oil.
- Over 34 times greater than Co Q-10.

Phase IIIa Results— Hyperlipidemia (Cholesterol) 90 Day Study



About Krill



- Krill refers to all 85 cold deep water marine species of the planktonic family of crustaceans.

- Neptune Krill Oil is the only supplement containing three key substances the human body needs to function properly: Omega-3 fatty acids, phospholipids and antioxidants.
- The planet's most abundant animal biomass; less than 0.01% of the allowable fishing quota is used each year by Neptune. Currently worldwide only about 2% of the allowable fishing quota is utilized.
- Neptune Krill Oil consists only of Antarctic krill, adapted to survive in Earth's coldest waters through their omega-3 fatty acid phospholipids.
- The Antarctic krill used in Neptune Krill Oil are harvested only at peak nutrient times, to assure quality and consistency.
- Krill is at the bottom of the food chain, and therefore does not accumulate any heavy metals or toxins from the ocean.

Neptune Quick Facts:

- Staff of 40.
- Production plant opened in 2002.
- Publicly listed on TSX.V in 2001.
- Founded in 1998.
- Plant capacity (NKO™) 60,000 kg/yr (\$15 M/yr).
- Plant is GMP/CFIA accredited.
- Plans in the works for second facility.

Markets for Neptune's Products

Pharmaceutical

- Annual worldwide sales of statins, or drugs used to treat high cholesterol, topped \$20.36 billion in 2004 (National Cholesterol Education Program, Circulation 2004).
- According to the World Health Organization, in 2003, 29% of all deaths globally were attributed to Cardiovascular Disease.
- According to the National Cholesterol Education Program, 2004, statins can lower LDL or bad cholesterol by 57%, and are not shown to increase HDL or "good" cholesterol.

Nutraceutical Market (Includes Functional Foods)

- Sustained increase in demand for products scientifically proven to help maintain optimum health, delay aging, improve the physical, mental and emotional quality of life and enhance normal and healthy brain and neurological function.
- Demand from baby boomers for access to functional and nutritional products to maintain health and vitality.
- Development of functional foods contributing to the prevention of chronic disease and genetic disorders.

Biopharmaceutical

- Marine oils incorporated into medicinal creams and ointments as functional ingredients.
- Opportunity improve existing formulas with Neptune's product once the unique compounds in marine oils are mastered, biopharmaceutical industry is highly regulated.

Nutrigenomic

- A new trend, representing the new wave in nutrition research predicted to forever transform foods and the way they are produced and purchased.
- Based on studying the relationship of what humans eat and how their genes function, and how the combination of these two elements can aid in prevention and wellness.
- Institute For The Future projects that by 2010, 74% of the U.S. population would at least experiment with nutrigenomic products, 33% of the overall population becoming regular purchasers.

Cosmeceutical Market

- Cosmetic products that include ingredients designed to enhance the appearance and have a positive physiological, lasting, positive effect at the cellular level, satisfying both beauty, anti-aging and health needs simultaneously.
- Significant use of antioxidants in large quantities for both cosmetic and product preserving purposes.
- Consumer demand for products with moisturizing properties and natural protection against oxidation, free radicals and environmental toxins.

Distribution Network

Neptune's agreements with its 46 distributors specify that the Neptune logo  must be present on all packaging. Distributors may purchase the oil in encapsulated form or oil form, but are subject to strict limitations. Neptune is cognizant of the recommended dosage and monitors how its products are labeled through these distributors.

Some of Neptune's distributors:



Functional Foods:

Foods components that provide a health benefit beyond basic nutrition: foods fortified or enhanced with omega-3's, protein, vitamin D, soy, calcium, etc.

Examples:

Fortified beverages, cereal, bars, yogurt, eggs, etc.



Functional foods will be the fastest growing segment of the health foods market of the future.

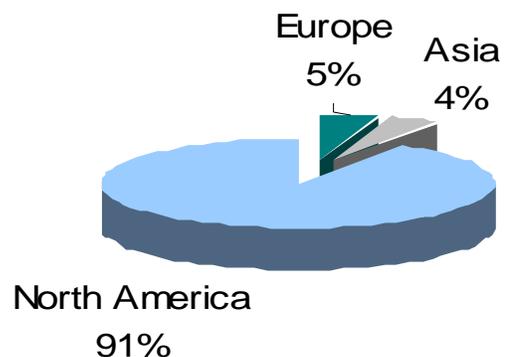
Datamonitor & Reuters

The world market for dietary supplements and functional foods is US \$182 billion.

The Nutritional Business Journal, 2004.

Breakdown of Neptune's F2005 Sales by Region (Dietary Supplement Market)

Neptune recently began penetrating the European and Asian markets.



Management and Board of Directors

Henri Harland, CEO & President

Mr. Henri Harland, visionary and founder of Neptune Technologies & Bioresources Inc., has served as a director and the President and Chief Executive Officer of the Company since its incorporation on October 9th, 1998. He has been involved in the *krill* research project since 1991 and was a pioneer in foreseeing nutrigenomics. Mr. Harland's vision, passion, dedication, creativity and leadership, over an extended period of time, resulted in building Neptune and creating the remarkable product that Neptune Krill Oil is today. Since 1998, he has held the position of President and Chief Executive Officer of Groupe Conseil Harland inc., a financial engineering group. From May 1992 to September 1997, Mr. Harland was a director and acted as Vice-president of Corporate Development and Chief Financial Officer of SignalGene inc. (formerly Société Algène Biotechnologies Inc.), a publicly traded biotechnology corporation.

Tina Sampalis, M.D., Ph.D. V.P., Research / Business & Development

Dr. Tina Sampalis is an Oncology Surgeon, trained in Physiology at McGill, Medicine at the University of Patras (Greece), Dermatology at Göttingen University (Germany) and Marselisborg University (Denmark), Pediatric, General and Oncology Surgery at the University of Athens (Greece), graduate training (PhD) in Surgical Research at the University of Athens and PhD in Epidemiology and Experimental Surgery at McGill University. She has received several international scholarships and awards for her work on the clinical implementation of retinols and breast cancer including the Helen Hutchison Award for geriatric medicine. Her work on Scientimammography resulted in her appointment at the Educational Speakers Bureau, the Canadian and U.S. Faculty of Medical Speakers for Breast Imaging. As an international scholar she leads the development and implementation of innovative micro-invasive and stereo tactic surgical techniques for breast cancer, for which a USA and Canadian patent application has been filed. She is a member of the American Association of Naturopathic Medicine. Dr. Sampalis is published multiple times in peer reviewed publications and has presented at international conferences. Since May 2000 she has held the position of vice-president of Research & Business Development of Neptune Technologies & Bioresources and has been devoted to the research and development of Neptune Krill Oil.

André Godin, V.P. Administration & Finance

Mr. André Godin, C.A. has a Bachelor in Administration and is has been a Member of the Canadian Institute of Chartered Accountants since 1988. He has more than 10 years experience in the Biotech/Pharma industry as former President of a Dietary Supplement Company and as a Corporate Controller for a pharmaceutical company in OTC products. Mr. Godin has been Vice-President, Administration and Finance for Neptune Technologies & Bioresources Inc. since 2003.

Donald Allard, B.Pharm., D.P.H., V.P. Sales & Marketing.

Mr. Allard has more than 15 years experience in the Pharma industry both in sales and marketing managing 15 different brands in as many diseases. Trained as a hospital pharmacist, sixth years of clinical practice in an university teaching hospital well prepared him for a polyvalent industry career.

Board of Directors

Henri Harland

Dr. Ronald Denis

Mr. Michel Timperio

Mr. Daniel Perry

Mr. Michel Chartrand

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To receive free, accurate, ongoing information regarding Neptune please register for **INSIGHT Newsletter**:
www.howardgroupinc.com/register/register.htm

This document contains forward-looking statements, including, in particular, statements about Neptune's plans, strategies and prospects. These have been based on the Company's current assumptions, expectations and projections about future events. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, the Company can give no assurance that these expectations will prove to be correct or that results anticipated in the forward-looking statements will be achieved. These forward-looking statements include risks and uncertainties. These risks and uncertainties include, among other things, market conditions, industry uncertainty and other factors.

Ask the Doctor

With Dr. Tina Sampalis, M.D, Ph.D.



Q: What are krill and where do they come from?

A: Krill are tiny, shrimp-like crustaceans that flourish in the cold, clear waters near the South Pole. One of the largest biomasses on earth, krill tend to gather in huge swarms, as many as 10,000 can pack into a cubic yard of ocean. The preferred food of krill is microscopic aquatic plants called phytoplankton. The best krill oil is derived from Antarctic krill.

Q: Are all krill oils the same?

A: No, processing is key to assuring quality. Krill oils are not identical. 85 krill species have been identified worldwide, but Neptune Krill Oil (NKO™) products contain just nutrient-rich Antarctic krill. For peak potency, we harvest only at the end of the Antarctic summer, and the krill are immediately flash frozen. Quality is maintained because our patented extraction process protects the nutrients, protecting them from exposure to heat or air. NKO™ is the only oil from krill with FDA acceptance as a new dietary ingredient safe for human consumption.

Q: Is NKO™ krill oil safe? Are there side effects?

A: Neptune Krill Oil is safe to take and without side effects. In 2002, the FDA accepted NKO™ as a New Dietary Ingredient. NKO™ is free of heavy metals, PCB's, dioxins and pesticides. Tests showed that even at high doses, no serious side effects were present while taking NKO™ and it's even free of fishy aftertaste .

Q: What does research show about the effects of krill oil?

A: Three major studies have now been completed using Neptune Krill Oil.

PMS: In a randomized, double blind clinical trial, women taking NKO™ reported remarkable improvement in physical and emotional PMS symptoms within the second menstrual cycle. NKO™ is clinically proven to help relieve breast tenderness, cramps, weight gain, stress and mood swings caused by hormonal imbalance (PMS).

High Cholesterol: After three months, study participants on 1 gram of NKO™ a day lowered levels of total cholesterol and LDL, and raised beneficial HDL levels.

Joint Pain and Inflammation: After one week on NKO™, patients with osteo- or rheumatoid arthritis and with elevated blood levels of inflammatory C-reactive protein rated joint pain less (24%) stiffness less (22%) flexibility better (16%); CRP levels dropped by about 20%.

Q: Are there other areas where NKO™ might be beneficial?

A: Many participants in our studies reported improvements in hair, skin and nails as well as increased energy and a better mental outlook. We have anecdotal reports that NKO™ helps focus and concentration, and eases the symptoms of seasonal allergies. Preliminary trials are being developed to test the effect of NKO™ on cognitive function and learning disabilities such as Attention Deficit Hyperactivity Disorder (ADHD).

Neptune Krill Oil and/or the work of Dr. Tina Sampalis has been featured by the following:

- Whole Foods Magazine
- Alternative Medicine Review
- Vista Online Health Magazine
- True Health, Tom Valentine's Talk Radio Show
- The Vitamin Research Product News
- The Natural and Nutritional Products Industry Centre web site
- The Food Quality News
- The Food Navigator web site
- NutraIngredients—USA
- Women's World

In order to reap the same benefits from taking one 500 mg Neptune Krill Oil capsule per day, one would need to take three separate supplements.

A cost comparison:

Type of capsule	# of capsules per day	Amount per capsule	Cost per month (U.S. Dollars)
Fish Oil**	12-30	500 mg	\$24—\$59 U.S.D.
Potent Antioxidant (nothing less than Co-Enzyme Q-10)	1	200—300 mg	\$55 U.S.D.
Phosphatidylcholine and Phosphatidylserine	1 each	840 mg and 300 mg respectively	\$62.50 U.S.D.
Total	14-32		\$141.50 - 176.50 U.S.D.
Neptune Krill Oil	1	500 mg	\$24.99

**With this type of high dosage, one must consider the heavy metals consumption and free radical release consequential to taking fish oils.

