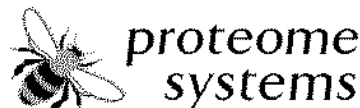


ASX Announcement

Proteome Systems Limited ACN 080 277 998



Friday, 29 September 2006

Proteome Systems raises \$3.8 million through a private placement to institutional and professional investors

- ***Proteome Systems announced it has completed a private placement to institutional and professional investors raising \$3.8 million at \$0.30 per share***
- ***The proceeds will allow the Company to continue development of its lead /major Diagnostic and Therapeutic programmes.***

Proteome Systems (ASX: PXL) today announced that it will raise approximately \$3.8 million through the issue of 12,666,666 fully paid ordinary shares to institutional and professional investors in the US, UK and Australia at a price of \$0.30c per share.

The Company expects to issue the shares under the placement in October 2006.

The net proceeds of the placement after broker and selling fees will be approximately \$3.8 million. These funds will provide the Company with sufficient working capital to further develop opportunities in its Diagnostics & Therapeutics business which it believes provide the best prospects for significant near term commercial returns.

Stephen Porges, CEO of Proteome Systems, said "This raising through a range of professional investors gives the company the time and resources to further develop its programmes to a stage where partnering opportunities are more favourable. The dire state of the biotech sector at the moment will see many groups forced to do early stage partnering deals simply to allow them to continue their programmes. Our lead programmes of TB and Prostate Cancer diagnostics, and our topical therapeutic for radiation damage, are well positioned and over the next 12 months we will begin to realise the commercial value of this portfolio."

The new shares will rank equally with the Company's ordinary shares. The Company will apply to the ASX for quotation of the shares following their issue.

About Proteome Systems

Proteome Systems Limited [ASX:PXL] is a dynamic biotechnology company which discovers and develops diagnostics and therapeutic products. The Company has extensive expertise in the discovery and development of protein and glycoprotein biomarkers with a focus on diseases for which there are large global markets and unmet need for diagnostics and drugs such as respiratory disease, neurobiology, neurodegenerative disease, cancer and infectious diseases. PXL's scientific leadership is demonstrated by its track record in partnering with leading US and European companies, clinical groups and research institutions to collaborate on its research programmes and develop the outcomes of its research for diagnostic and therapeutic application.

Additional information about Proteome Systems can be found at www.proteomesystems.com.

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