



TISSUE THERAPIES

ASX ANNOUNCEMENT

24 August 2006

VitroGro® Preclinical Dose Study Starts

Biomedical company, **Tissue Therapies Limited (ASX: TIS)** has commenced the next major milestone in the development of an advanced, accelerated burn and wound healing treatment based on its proprietary VitroGro® technology, with the start of the planned, expanded dose study of synthetic VitroGro®.

This preclinical dose study follows the Company's initial animal trial (completed in early 2005) which successfully demonstrated that Tissue Therapies' VitroGro® protein complex significantly accelerates skin healing and at the same time, appears to substantially reduce scar tissue formation, providing strong confidence about the potential of VitroGro® as a wound treatment.

The dose study to assess the potential of VitroGro® as a human burns treatment is being conducted by leading Australian burns surgeons and medical research scientists based at the Royal Children's Hospital in Brisbane. This study will confirm the optimal dose of VitroGro® that should be used in the clinical burns trial planned for the first half of 2007.

Tissue Therapies CEO, Dr Steven Mercer explained, "The key to treating burns, particularly in children, is to accelerate healing so that new skin heals the burn in less than 2 – 3 weeks. If this is achieved, scarring won't occur, the patient can usually be treated as an outpatient and the painful and repetitive operations to treat scarring can be avoided. We know from the first preclinical study that VitroGro® significantly accelerates healing and also appears to substantially reduce the formation of future scar tissue."

This preclinical dose trial is being managed by leading paediatric burns surgeon, Associate Professor Roy Kimble, based at the Royal Children's Hospital in Brisbane. Prof. Kimble is Clinical Director of the Stuart Pegg Paediatric Burns Centre and Head of the Royal Children's Hospital Burns Research Group (a co-operative research team comprising staff of the Department of Paediatrics and Child Health, University of Queensland and the Royal Children's Hospital, Queensland Health).

Also recently announced by Tissue Therapies have been the following announcements that have resulted from breakthrough discoveries of the VitroGro® research team at the Queensland University of Technology:

- VitroGro® can be used to replace animal or human serum in the culture of human embryonic stem cells
- Tissue Therapies has developed VitroGro®-1, the new chimeric VitroGro molecule that represents a major breakthrough in protein science. Using molecular engineering the VitroGro® research team at QUT have been able to successfully combine the active regions of the multiple protein components of the existing VitroGro® to create a single new protein molecule.

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About Tissue Therapies Limited

Tissue Therapies Limited is an Australian company developing biomedical technologies for wound healing, tissue and various cell culture applications.

The Company has worldwide exclusive rights to commercialise VitroGro®, a platform technology developed by tissue engineering experts at the Institute for Health and Biomedical Innovation at QUT for enhancing cell growth and migration. VitroGro® has particular commercial applications in wound healing, tissue regeneration, stem cell therapies and other cell culture uses.

Based on its VitroGro® platform technology, Tissue Therapies is developing more effective medical treatments for wounds and burns, integration of orthopaedic and medical implants, and other applications such as cosmeceuticals.

Tissue Therapies also provides cell culture reagents to enhance the growth of mammalian cells for emerging cell-based therapies, along with research and industrial cell culture markets internationally.

More information: www.tissuetherapies.com