



TISSUE THERAPIES

ASX ANNOUNCEMENT

16 March 2007

Joint Development Agreement Signed with Novozymes

Biomedical company, **Tissue Therapies Limited (ASX: TIS)** has signed a joint development agreement with Novozymes A/S for the development of advanced wound dressing products combining proprietary Novozymes technologies with Tissue Therapies' VitroGro® technology.

Headquartered in Denmark, Novozymes is a respected world market leader in enzymes and other biological protein production and innovation with sales in 2006 in excess of A\$1.5 billion and a market capitalisation of approximately A\$7 billion. Novozymes provides a large range of biological proteins, products and services that support biological research and industrial bio production for public and private sector customers' world wide. Novozymes continuously expands its technology and market reach by utilising its strong know how to develop biotech based solutions for other industrial needs including solutions for the biopharmaceutical industry.

Tissue Therapies' VitroGro® protein platform has delivered significant preclinical results by accelerating wound healing, reducing potential scar tissue formation and reducing wound contraction. Wound contraction is the most common reason for follow up surgery following burn injuries. VitroGro® is also used in live cell research for the production of proteins and development of new health treatments and will enter clinical trials later in 2007.

CEO of Tissue Therapies, Dr Steven Mercer said, "We are delighted to enter into the wound care collaboration with Novozymes, one of the most scientifically and commercially respected biological science companies in the world. We believe that the combination of Novozymes technologies and Tissue Therapies' VitroGro® may offer unique advantages in treating a range of wounds, including the acceleration of wound healing.

"We believe that the combination of our proprietary technologies and VitroGro® provides exciting development opportunities and we look forward to work with Tissue Therapies in this collaboration" said Dr Jørgen Thorball, Vice President of Business Development at Novozymes.

The collaboration will involve scientific work in both Brisbane and Denmark, with one Novozymes scientist relocating to work with the Tissue Therapies research group headed by Prof. Zee Upton at the Institute of Health and Biomedical Innovation (IHBI), part of the Queensland University of Technology (QUT) in Brisbane. The Company anticipates that there will be significant long-term R&D and commercial benefits arising from closer working relations with Novozymes' research and commercial personnel.

The Joint Development Agreement with Novozymes represents another important milestone in the development of VitroGro® products for the global wound care market and provides a potential path to market via a global supplier with a strong international distribution network.

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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.

For more information, visit www.tissuetherapies.com

About Novozymes

Novozymes is the biotech-based world leader in enzymes and microorganisms. Using nature's own technologies, we continuously expand the frontiers of biological solutions to improve industrial performance everywhere. Headquartered in Denmark, Novozymes employs more than 4,500 people in 30 countries. Novozymes produces and sells more than 600 products in 130 countries. Novozymes A/S' B shares are listed on the Copenhagen Stock Exchange.

For more information, visit www.novozymes.com