Tissue Therapies Limited
ABN 45 101 955 088

21 October 2009

Dear Optionholder

Share Purchase Plan – option holders' participation

Tissue Therapies Limited (**Tissue Therapies**) today announced its Share Purchase Plan (**SPP**), which, subject to shareholder approval at the Annual General Meeting on 27 November 2009, will give eligible shareholders the opportunity to purchase up to $15,000 of Tissue Therapies ordinary shares at a price per share which is calculated as the lesser of $0.15 or 80% of the average closing price on the last 5 trading days prior to the date of issue of shares under the share purchase plan, without incurring brokerage or transaction costs.

Investors who hold options in Tissue Therapies but do not hold shares may only participate in the SPP if some or all of their options are exercised before 7.00pm AEDT on 29 October 2009 (**Record Date**), and they are recorded on the share register as shareholders.

Shareholders who also hold options will not be entitled to purchase any more than $15,000 of Tissue Therapies ordinary shares under the SPP by exercising some or all of their options before the Record Date.

Should you wish to exercise your options, please contact our share registry, Link Market Services Limited at the following postal address

Tissue Therapies Limited
C-/ Link Market Services Limited
GPO Box 2537
BRISBANE QLD 4001

Alternatively, you can contact the Tissue Therapies Limited SPP Offer Information Line on 1300 794 935 if calling within Australia or +61 2 8280 7911 if calling from outside Australia.

Yours sincerely

Roger Clarke
Chairman

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