



ANTISENSE THERAPEUTICS

19 May 2003

The Companies Section
The Australian Stock Exchange Limited
530 Collins Street
MELBOURNE VIC 3000

Dear Sir/Madam

\$1.1 Million R&D Start Grant Approved for Psoriasis Project

We are pleased to announce that the Industry Research and Development Board has approved a grant to Antisense Therapeutics Limited (ASX: ANP) under the Commonwealth Government's R&D Start Program to be used in the development of the company's psoriasis treatment - ATL1101.

The grant, subject to finalisation by written agreement, will provide up to \$1.1 million in dollar-for-dollar funding for the financial year 2003/2004.

"Our pre-clinical development program for ATL1101 has progressed extremely well, and the science underpinning the work is world-class. The approval of our grant application provides validation of the scientific, clinical and commercial potential of our psoriasis project", said Antisense's CEO, Mark Diamond

Pre-clinical efficacy studies on ATL1101 are currently underway at the Murdoch Childrens Research Institute (MCRI) in Melbourne. ANP expect to announce the achievement of an important pre-clinical efficacy milestone before the end of this month.

About Psoriasis and ATL1101

Psoriasis is a chronic, non-contagious skin disorder, which affects 2% of the population. While the precise cause of psoriasis is unknown, it is thought to be triggered by an unknown immune system defect leading to excessive skin cell division.

Although the worldwide market for psoriasis treatments was more than US\$500 million in 2000, there is an acknowledged unmet medical need for more effective and safer treatments. The market is forecast to grow to beyond US\$2 billion with the emergence of new therapies.

ATL1101 is an antisense drug designed to inhibit the production of the protein insulin-like growth factor-1 receptor (IGF-1R). In 2000, the MCRI team headed by Dr Christopher Wraight, now Research Director at Antisense, published a landmark article in the prestigious journal Nature Biotechnology, showing that antisense inhibition of IGF-1R was effective in human psoriasis skin grafted onto mice. In 2002, the team reported in the world's premier skin research journal, and at the Paris World Congress of Dermatology, that antisense drugs could penetrate psoriasis skin.

ANP has a worldwide exclusive licence to the psoriasis antisense technology, which is protected by a broad portfolio of patents granted in the United States, Australia, and other countries.

About Antisense Technology

Antisense drugs are synthetic, DNA-like compounds designed for use as medicines, which block disease processes with extraordinary precision. Unlike conventional small-molecule medicines, the discovery of which requires time-consuming and laborious trial-and-error, antisense medicines are rationally designed by directly exploiting the huge body of genetic information now available from the human genome project. There are currently over 20 antisense drugs in clinical trials worldwide to treat various diseases, with more than half of these in Phase II or later stage clinical development. While there is already one antisense drug approved for clinical use, it is anticipated that several more will enter the market over the next few years.

About Antisense Therapeutics Limited

Antisense Therapeutics Limited is an Australian publicly listed biopharmaceutical drug discovery and development company. ANP's mission is to create, develop and commercialise novel antisense pharmaceuticals for large unmet markets. Its two most advanced projects target Multiple Sclerosis (ATL1102), and Psoriasis (ATL1101).

ANP plans to commercialise its pipeline via licensing/collaboration agreements with major biotechnology and pharmaceutical companies.

ANP's major shareholders include Circadian Technologies Limited (ASX: CIR), Isis Pharmaceuticals Inc (NASDAQ: ISIS), Queensland Investment Corporation and the Murdoch Childrens Research Institute.

Further company details are available on the Antisense Therapeutics website.

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