



ANTISENSE THERAPEUTICS

2 September 2003

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

Dear Sir/Madam

Letter to Shareholders re Share Purchase Plan

Dear Shareholder

I am pleased to advise you that the directors of Antisense Therapeutics Limited ('**Antisense**') have established a share purchase plan ('**Plan**') to give existing shareholders the opportunity to purchase additional shares in Antisense.

Under the Plan your directors are offering shareholders the opportunity to purchase a maximum of \$5,000 worth of Antisense shares. Shares purchased under the Plan will not attract brokerage, stamp duty or any other transaction costs.

As you may be aware, Antisense recently raised additional capital of \$5 million for its drug development projects (including ATL1102 for multiple sclerosis and ATL1101 for psoriasis) by way of a private placement to 'exempt' professional investors. The Plan provides Antisense's other loyal investors with the opportunity to also participate in Antisense's equity raising programs without incurring any charges.

An offer is being made under the Plan to all shareholders, whose registered address is in Australia, who owned ordinary shares in Antisense at close of trade on 1 September 2003 including those shareholders who had purchased ordinary shares in Antisense in accordance with ASX Listing Rules by no later than the close of trade on that day. The offer is non-renounceable, which means that you cannot transfer your right to purchase shares under the offer to anyone else. Details of the offer are set out in the Offer and Acceptance Form and Terms and Conditions attached.

Applications must be made for a minimum of \$1,000 worth of shares, with multiples thereafter of \$1,000, up to a maximum of \$5,000 worth of shares. The shares will be issued at 13 cents per share which is the issue price paid by Australian institutions and professional investors in the Company's recent share placement.

The offer under the Plan has been structured to comply with ASIC Class Order 02/831. As such, the maximum application for \$5,000 worth of shares applies to all eligible shareholders even if they receive more than one offer from Antisense (for example, because they are a

joint holder of shares or because they hold more than one shareholding under separate share accounts). Antisense reserves the right to reject any application for shares where it believes this requirement has not been complied with.

The offer closes at 5.00 pm AEST on 1 October 2003 ('Closing Date'). To participate in the offer, you will need to return your completed Offer and Acceptance Form together with your cheque in Australian dollars for the full amount to which your acceptance relates so that it is received by Computershare Investor Services Pty Ltd (as detailed in the Offer and Acceptance Form) no later than 5.00 pm AEST on the Closing Date. Applications received after the Closing Date will not be accepted.

It is expected that shares issued under the Plan will be quoted on Australian Stock Exchange on or about 13 October 2003 and you should receive your holding statement shortly after this date.

In deciding whether to take up the enclosed offer of shares, you should seek your own independent financial, legal and taxation advice in respect of the offer.

If you have any questions in relation to the Plan, please contact the Company's share registry, Computershare Investor Services Pty Limited on 1300 850 505 or + 61 3 9615 5970.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Robert Moses', written in a cursive style.

Robert Moses
Chairman
Antisense Therapeutics Limited

ANTISENSE THERAPEUTICS LIMITED

ABN 41 095 060 945

SHARE PURCHASE PLAN ("PLAN")

APPLICATION FORM

All registry communications to :
c/- Computershare Investor Services Pty Ltd
GPO Box 52 Melbourne, Victoria 8060

Enquiries (within Australia) 1300 850 505
(outside Australia) 61 3 9615 5970
Facsimile 61 3 9473 2529
web.queries@computershare.com.au
www.computershare.com

Shareholder Name & Address:

Record Date : 4 September 2003
Opening Date : 10 September 2003
Closing Date : 1 October 2003
Issue Date : 8 October 2003

BAR CODE

100000000000

A APPLICATION

I/We, the above shareholder(s), being registered as ordinary shareholder(s) in the Company as at the Record Date for this offer do hereby apply for new shares as indicated below at an issue price calculated in accordance with the Terms and Conditions of the Antisense Therapeutics Limited Share Purchase Plan, as attached and as otherwise set out in the accompanying letter dated 5 September 2003.

❖ Applications must be made for a minimum of \$1,000 worth of shares, with multiples of \$1,000 thereafter, up to a maximum of \$5,000 worth of shares.

Please tick the appropriate box

<input type="checkbox"/>	\$1,000	<input type="checkbox"/>	\$2,000	<input type="checkbox"/>	\$3,000	<input type="checkbox"/>	\$4,000	<input type="checkbox"/>	\$5,000
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B PAYMENT DETAILS

INSERT DETAILS OF YOUR CHEQUE OR BANK CHEQUE – PLEASE COMPLETE IN BLOCK LETTERS

Drawer	BSB	Amount
<input type="text"/>	<input type="text"/>	<input type="text" value="A\$"/>

C CERTIFICATION

For the purpose of the ASIC Class Order 02/831, you certify and confirm that the aggregate price for:

- (a) shares you have applied for under this application; and
- (b) any other shares you have applied for under this Plan or any other Company share purchase plan or similar arrangement in the 12 months prior to the date of your application, (including through joint and/or beneficial holdings) does not exceed \$5,000.

Signature(s) : _____

Date: _____

1. If you want to participate in this offer, please carefully read the Terms and Conditions of the offer attached.
2. Complete all the required details on the Application Form, noting that all amounts are expressed in Australian Dollars.
3. Write the cheque for the exact amount of the Shares you want to acquire. Please make the cheque payable to **Antisense Therapeutics Limited**.
4. Please return the Application Form, together with the cheque, to Computershare Investor Services Pty Limited, GPO Box 52, Melbourne, Victoria 8060.
5. Ensure that your Application Form and cheque reach us by the closing date of the offer being no later than AEST 5 pm on 1 October 2003.
6. If signed under power of attorney, the attorney states that they have not received a notice of revocation of that power.

By accepting this offer you agree to be bound by the Terms and Conditions of the Offer and the Constitution of the Company.

ANTISENSE THERAPEUTICS LIMITED SHARE PURCHASE PLAN

Pursuant to the Antisense Therapeutics Limited Share Purchase Plan (“**Plan**”), Antisense Therapeutics Limited ABN 41 095 060 745 (“**Antisense**”) offers eligible shareholders the ability to apply for a minimum of \$1,000 and a maximum of \$5,000 worth of fully paid ordinary shares (“**Shares**”) in Antisense (“**Offer**”).

If you are eligible to apply for Shares, you may apply for a minimum of \$1,000 worth of Shares and in multiples of \$1,000 thereafter, up to a maximum of \$5,000 worth of Shares.

Please carefully read the Terms and Conditions relating to the Offer as you will be bound by them. By lodging this form with your cheque, you confirm that you have read, understood and agreed to the terms and conditions of the Plan.

TERMS AND CONDITIONS

1. Participation

Participation in the Plan is open to all persons who, as at the record date determined by the directors of Antisense (**Board**), are registered as holders of ordinary shares in Antisense, except those shareholders whose registered address is in a country where, in the reasonable opinion of the Board, it is unlawful or impractical for Antisense to issue offers under the Plan.

Participation in the Plan is optional and is subject to these terms and conditions.

2. Offers

Offers under the Plan will be non-renounceable and shares may be issued only to the shareholder to whom they are offered.

Each offer will be made on the same terms and conditions. All eligible shareholders of Antisense will receive the same offer, irrespective of the number of shares which they hold on the record date.

Offers to subscribe for shares under the Plan may be made once a year, or as otherwise determined by the Board. In any consecutive 12 month period, the maximum value of shares for which each eligible shareholder may subscribe under the Plan is \$5,000 (or such lesser amount as the Board may determine in its discretion). This limit applies to each shareholder even if that person holds shares in more than one capacity – for example, as a sole holder and as a first (or subsequent) named holder of two or more joint holders. However, a trustee or nominee expressly noted on a company register may receive an offer for each occasion they are separately recorded as a trustee or nominee for a different beneficiary named on that register.

Offers will be made subject to any terms and conditions that the Board thinks fit which are consistent with these terms and conditions, including any minimum subscription amount. The Board may also determine the multiple(s) of shares, or the fixed dollar amount(s), for which each eligible shareholder may subscribe under any given offer under the Plan.

3. Issue Price

Shares will be issued under the Plan at the issue price determined by the Board, which must be less than the market price during a specified period in the 30 days prior to either the date of the offer or the date of issue of shares under the offer.

4. Costs of Participation

No brokerage, commissions, stamp duty or other transaction costs will be payable by shareholders in respect of the application for, and issue of, shares under the Plan.

5. Issue of Shares

Antisense will issue shares for the purposes of an offer as soon as reasonably practicable after the closing date of the relevant offer.

Shares issued under the Plan will rank equally with all other ordinary shares in Antisense on issue as of the date of issue and will therefore carry the same voting rights, dividend rights and other entitlements as those shares.

Antisense will apply for shares issued under the Plan to be quoted on Australian Stock Exchange Limited (**ASX**).

Antisense will, within the period required by the ASX Listing Rules, send participants a holding statement in respect of any shares issued to them under the Plan.

6. Acceptance of Offers

An offer to participate in the Plan may be accepted by an eligible shareholder only by completing and returning the acceptance form provided by Antisense, together with the appropriate payment for the amount to which the acceptance relates, by no later than the closing date for the offer specified on the acceptance form.

Payment may be made only by cheque in Australian dollars drawn on an Australian bank.

An offer will be taken to have been accepted by an eligible shareholder only if the cheque which accompanies the shareholder's acceptance form is paid in full on first presentation.

If one or more acceptance forms are received by an eligible shareholder in relation to shares with a value greater than \$5,000 in any consecutive 12 month period, the shareholder will be issued with the maximum number of shares permitted by the Plan and the excess subscription monies will be refunded (without interest).

If an eligible shareholder subscribes for an amount which is not exactly divisible by the issue price for the shares, in calculating the number of shares to be issued, all fractional entitlements will be rounded up to the nearest whole number.

7. Amendment, Suspension and Termination of the Plan

The Board may, in its discretion, amend, suspend or terminate the Plan at any time and adopt any administrative procedures it thinks appropriate in relation to the Plan. Antisense may issue to any person fewer shares than subscribed for under the Plan (or none at all) if Antisense believes that the issue and allotment of those shares would contravene any law or the rules of any stock exchange on which Antisense shares are quoted.

8. Dispute Resolution

Antisense may settle, in any manner it thinks fit, any difficulties, anomalies or disputes which may arise under or in connection with the operation of the Plan, whether generally or in relation to any participant or class of participants, offer, application or shares, and the decision of Antisense shall be conclusive and binding on all participants and other persons to whom the determination relates.

Antisense reserves the right to waive compliance with any provision of these terms and conditions.

9. Notices

Notices and statements to participating shareholders may be given in any manner determined by the Board from time to time.

10. Privacy

Chapter 2C of the *Corporations Act 2001* requires information about shareholders (including name, address and details of the shares held) to be included in Antisense's public register. If a shareholder ceases to be a shareholder, Chapter 2C of the *Corporations Act 2001* requires this information to be retained in Antisense's public register. These statutory obligations are not altered by the *Privacy Act 1988 (Cth)* as amended. Information is collected to administer shareholders' security holdings.