ANTISENSE THERAPEUTICS

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

ANTISENSE THERAPEUTICS LIMITED AND ISIS PHARMACEUTICALS INITIATE PHASE 2A TRIAL OF ANTISENSE DRUG FOR MULTIPLE SCLEROSIS

Please find attached a joint announcement by Antisense Therapeutics Limited and Isis Pharmaceuticals Inc for release to the market regarding the initiation of the company's Phase 2a clinical trial of ATL1102 in patients with multiple sclerosis. This announcement is being conjointly released in the US.

Yours faithfully

Natalie Korchev
Company Secretary

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ANTISENSE THERAPEUTICS LIMITED AND ISIS PHARMACEUTICALS INITIATE PHASE 2A TRIAL OF ANTISENSE DRUG FOR MULTIPLE SCLEROSIS

Melbourne, Australia and Carlsbad, CA, USA, December 21, 2004 – Antisense Therapeutics Limited (ASX: ANP) and Isis Pharmaceuticals, Inc. (NASDAQ: ISIS) announced today the initiation of a Phase 2a clinical trial of ATL1102 in patients with multiple sclerosis (MS). ATL1102 is a second-generation antisense inhibitor of an immune system protein called VLA-4 (alpha-4 integrin chain; CD49d). ATL1102 is designed to block the synthesis of VLA-4 which is known to play a part in both the onset and progression of MS.

"We are pleased to move ATL1102, our lead drug candidate, into patient trials," said Mark Diamond, Managing Director of Antisense Therapeutics. "VLA-4 is a clinically validated target in MS and antisense inhibition of VLA-4 has demonstrated positive effects in multiple animal models of inflammatory diseases, including MS. This Phase 2a trial will provide important efficacy data on ATL1102 and thereby, an indication of our compound's potential as an effective treatment for MS."

"ATL1102 represents a novel therapeutic approach to the treatment of MS and I am delighted to be associated with clinical trials using a technology that aims to stop the production of the disease causing protein, rather than deal with it after it is produced in the body," said Professor Volker Limmroth of the University of Essen Germany, an eminent Professor of Neurology, internationally recognized clinical expert on MS, and Principal Investigator for this Phase 2a study. "ATL1102 may have clinical advantages over currently available MS treatments and my co-clinical investigators and I will be attempting to elucidate these in the next several months as the trial progresses."

In this multi-center, randomized, double-blinded, placebo-controlled clinical trial, approximately 60 patients with relapsing-remitting MS will receive ATL1102 or placebo over eight weeks. ATL1102 will be delivered by subcutaneous injection on a twice-a-week dosing schedule at a dose of 400 mg per week. The goal of the Phase 2a trial is to obtain preliminary evidence of the drug's effectiveness which will be evaluated using MRI (magnetic resonance imaging) indices. MRI's will be conducted at monthly intervals over the 8 week dosing period and at monthly intervals during the 8 week period following completion of dosing.

MRI is a non-invasive technique which allows physicians to monitor the effects of drug therapy on the brain lesions of MS patients, and has now become the accepted clinical end-point for evaluating drug effectiveness in early-phase MS clinical trials. These indices permit an evaluation of the degree of disease-related injury in the central nervous system (CNS), and any treatment-related modification brought about following administration of a drug.

The Phase 2a trial has been initiated on schedule at the University of Essen in Germany following the approval of the Clinical Trial Application by the Institutional Review Board and Ethics Committee of the University. The trial has also been authorised by the Federal Institute for Drugs and Medical Devices (Bundesinstitut für Arzneimittel und Medizinprodukte, BfArM) in Germany.

Antisense Therapeutics Limited has provided guidance that the treatment and patient monitoring stages of the trial are expected to be complete by early 2006, assuming patient recruitment proceeds at the anticipated rate. Antisense Therapeutics Limited anticipates reporting results by mid-2006.

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About MS and ATL1102

MS is a life-long chronic, incurable autoimmune disease that progressively destroys the CNS. It is commonly diagnosed between the ages of 20 and 40 years. According to the U.S. National Multiple Sclerosis Society, approximately 400,000 Americans acknowledge having MS, and every week about 200 individuals are diagnosed. Worldwide, MS may affect more than two million people.

ATL1102 is an inhibitor of CD49d, a sub-unit of VLA-4 (Very Late Antigen-4). In MS, white blood cells (leukocytes) are directed into the CNS from the blood. The inhibition of VLA-4 may prevent white blood cells from entering the CNS to stop the progression of MS. Inhibition of VLA-4 in animals has demonstrated positive effects on a number of inflammatory diseases such as MS. One VLA-4 inhibitor has recently been approved for marketing in the U.S. for the treatment of MS, and several other VLA-4 inhibitors are in clinical development for inflammatory conditions. Isis discovered this compound and licensed it to Antisense Therapeutics Limited in 2001.

About Antisense Therapeutics Limited

Antisense Therapeutics Limited is an Australian publicly listed biopharmaceutical drug discovery and development company (ASX: ANP). ANP's mission is to create, develop and commercialize novel antisense pharmaceuticals for large unmet markets. Its two most advanced projects target Multiple Sclerosis (ATL1102), and Psoriasis (ATL1101). ANP plans to commercialize its pipeline via licensing/collaboration agreements with major biotechnology and pharmaceutical companies. The company's major shareholders include Circadian Technologies Limited (ASX: CIR), Isis Pharmaceuticals, Inc., and Queensland Investment Corporation. Further company details are available on the Antisense Therapeutics website at www.antisense.com.au.

About Isis Pharmaceuticals, Inc.

Isis Pharmaceuticals, Inc. is exploiting its expertise in RNA to discover and develop novel human therapeutic drugs for its pipeline and for its partners. The company has successfully commercialized the world's first antisense drug and has 10 antisense products in development to treat metabolic, cardiovascular, inflammatory and viral diseases, and cancer. Through its Ibis Therapeutics® program, Isis is developing a biosensor to identify infectious organisms, and is discovering small molecule drugs that bind to RNA. As an innovator in RNA-based drug discovery and development, Isis is the owner or exclusive licensee of more than 1,400 issued patents worldwide. Additional information about Isis is available at http://www.isispharm.com.

This press release includes forward-looking statements regarding Isis Pharmaceuticals and Antisense Therapeutics Limited's drug development collaboration and the development, therapeutic potential and safety of ATL1102 in treating multiple sclerosis. Any statement describing our goals, expectations, intentions or beliefs is a forward-looking statement and should be considered an at-risk statement, including those statements that are described as Isis' clinical goals. Such statements are subject to certain risks and uncertainties, particularly those inherent in the process of developing technology, in discovering and commercializing drugs that are safe and effective for use as human therapeutics, and in the endeavor of building a business around such products. Actual results could differ materially from those discussed in this press release. As a result, you are cautioned not to rely on these forward-looking statements. These and other risks concerning Isis' research and development programs are described in additional detail in Isis' Annual Report on Form 10-K for the year ended December 31, 2003, and quarterly report on Form 10-Q for the quarter ended September 30, 2004, which are on file with the U.S. Securities and Exchange Commission. Copies of these and other documents are available from the company.

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