



ASX ANNOUNCEMENT

31 May 2005

Australian Patent Accepted

Biomedical company, **Tissue Therapies Limited (ASX: TIS)** today announced that IP Australia has advised that the core patent in relation to the Company's VitroGro® growth factor complex has been accepted in Australia.

The acceptance of the patent in Australia is an important step in a series of jurisdictions expected to grant the core VitroGro® patent, including USA, Canada, Europe, Australia, South Korea, China, and Japan.

The advice of the patent's acceptance in Australia follows news in March this year of the granting of the core VitroGro® patent in New Zealand, the first jurisdiction to grant this key patent.

As detailed in the Company's 2004 IPO Prospectus, Tissue Therapies has worldwide exclusive rights to commercialise VitroGro® under an IP Licence Agreement with QUT. QUT has applied for a series of three patents encompassing VitroGro® composition of matter, use and processes. QUT's patent attorneys have indicated that there is no significant prior art cited in the published Patent Cooperation Treaty patent applications.

Under a Deed of Assignment, QUT has agreed to assign the Intellectual Property to Tissue Therapies for a total of \$100,000, subject to certain preconditions regarding, among other things, its levels of cash reserves (at least \$2,000,000, which is currently satisfied), the Company's volume-weighted average Share price achieving a level of at least \$1.00 for any six month period during the term of the licence agreement, and a minimum level of expenditure under the R&D Agreement (which has already been achieved by the Company).

ENDS

Further information or for an interview:

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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 Queensland University of Technology for enhancing cell growth and migration. VitroGro® has particular commercial applications in wound healing, tissue regeneration and cell culture.

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.

More information: www.tissuetherapies.com