



ASX ANNOUNCEMENT

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VitroGro® Human Trial to Commence

Biomedical company, **Tissue Therapies Limited (ASX: TIS)** is expanding its clinical trial of VitroGro® to include a human trial in Perth, Australia, which is expected to commence in August 2008.

Chief Executive, Dr Steven Mercer said the imminent Perth trial will complement a planned human trial in Toronto, Canada, which is pending final regulatory approval.

He said that approval to proceed with the Perth trial followed agreement between Tissue Therapies' eminent Chief Clinical Investigators, Professor Michael Stacey (University of Western Australia) and Professor Gary Sibbald (Director of Dermatology & Wound Healing, Womens' College Hospital in Toronto, Canada).

"The human trial of VitroGro® at Professor Stacey's wound care centre in Perth will focus on the treatment of venous ulcers, while the Toronto study will also include diabetic and pressure ulcers."

"The Perth trial will start after a short period of patient recruitment. Interim results will be released progressively, and final results are expected in early 2009, within six months of first patient treatment."

Dr Mercer said preparation for both trials is complete, which will enable the Toronto trial to commence as soon as final approval is granted.

He also said that Tissue Therapies had recently responded to technical queries from Health Canada as part of the iterative regulatory approval process for the planned clinical trial and that Tissue Therapies' management is keenly awaiting the response from Health Canada.

Dr Mercer said that the two trials were highly complementary and that data from both trials would be used to validate the performance of VitroGro®.

"The Canadian Clinical Trial Monitor, Dr Douglas Queen will review the data from both studies and these results will be used in ongoing commercial negotiations with the international wound and healthcare companies that have expressed commercial interest in VitroGro®."

"As previously stated, positive data from human clinical trials will be the catalyst for commercial partnering negotiations with international wound healing or healthcare companies for international sales and distribution of new VitroGro® wound healing products. In this regard, a number of major wound care and healthcare companies have expressed commercial interest in VitroGro® and are now awaiting initial clinical trial results."

Dr Mercer said that Tissue Therapies had the scientific and preclinical evidence suggesting that VitroGro® would be a transforming technology in a wound care market estimated to be worth US\$4billion.

“We have great confidence in the clinical results of VitroGro® based on more than six years of research using live human skin cells in the laboratory.”

“These VitroGro® results, as well as other preclinical data, have resulted in multiple ground-breaking publications in peer-reviewed, scientific journals.”

“The scientific development and refinement of VitroGro® has provided a potentially fast and cost-effective cure for diabetic, venous and pressure ulcers.”

“This would relieve the clinical, personal, emotional, economic and social devastation of a pandemic that is currently causing an amputation every 30 seconds.”

Among its other benefits, the approval of the Perth-based clinical trial allows improved certainty for Tissue Therapies’ commercial planning purposes. The Board of Tissue Therapies will therefore shortly consider further fund raising options for large scale manufacturing of new formulation VitroGro® to maximise future sales and significantly enhance Tissue Therapies’ margins, and to provide additional working capital and fund further wound care product development.

ENDS

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About Tissue Therapies Limited

Tissue Therapies Limited is an Australian company developing biomedical technologies for wound healing, tissue repair and various cell culture applications.

The Company has worldwide exclusive rights to commercialise VitroGro®, a technology developed by tissue engineering experts at the Institute for Health and Biomedical Innovation at QUT for enhancing cell growth and migration. VitroGro® has particular commercial applications in wound healing, tissue regeneration, stem cell therapies and other cell culture uses.

Based on its VitroGro® technology, Tissue Therapies is developing more effective medical treatments for wound healing including chronic ulcers and burns,

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