

4 May 2010

Antisense Therapeutics Ltd (“ANP” or the “Company”) provides the following update on its business operations.

1. ATL1102 for Multiple Sclerosis
2. Pipeline Projects
3. Finance and Corporate

1. ATL1102 for MS

ANP is currently in the process of finalising details relating to the termination of the licence agreement with Teva Pharmaceutical Industries Ltd (Teva) following Teva’s decision not to continue with the further clinical development of ATL1102 (ASX: 24th March 2010).

In line with the licensing agreement between the two parties, ANP receives back all rights pertaining to ATL1102 that were licensed to Teva in February 2008; these include the relevant patents along with preclinical and clinical data (including the Phase II data) either owned, generated or in licensed by ANP.

In addition to the initial rights owned and generated by ANP, the Company is also seeking access to the relevant ATL1102 data generated specifically by Teva, including the chronic toxicology study reports and other Teva generated intellectual property (IP). ANP is in discussions with Teva on the arrangements for accessing this Teva generated data.

Upon finalisation of these arrangements, ANP would then have in place a complete package of data and IP rights to support the potential further development of the drug and possible out-licensing to a partner.

New patent applications were filed in June 2009 covering the method of using ATL1102 for the treatment of multiple sclerosis (MS) that would provide additional patent protection until 2029, thereby significantly extending patent life on the drug if granted. These patents and their claims are based on the clinical outcomes from the Phase II study conducted by ANP. Responsibility for the handling of these applications has now been transferred to ANP as part of the agreement finalisation process with Teva.

ATL1102 previously demonstrated impressive efficacy in a Phase 2 clinical trial in MS patients. ANP and Isis Pharmaceuticals Inc, ANP’s technology collaboration partner and the original developer of ATL1102, continue to believe that there is significant potential in an antisense drug targeting VLA-4 such as ATL1102 as an effective treatment for MS. Discussions continue between the parties relating to the potential further development of ATL1102.

2. Pipeline Projects

In addition to the evaluation of ATL1102 in MS, the Company continues development of its pipeline projects including ATL1103 for abnormal growth and sight disorders, and ATL1101 for prostate cancer.

ATL1103 is a second generation antisense drug that targets the growth hormone receptor and thereby reduces levels of the hormone insulin-like growth factor-I (IGF-I) in the blood. ANP has reported the successful completion of toxicology studies of ATL1103 and its intentions would be to move this compound forward into clinical trials in the 2nd half of 2010. Isis is currently completing manufacture of clinical supplies of ATL1103 for this study.

The Company views this project as a very valuable asset. There is a pressing need for better management of the growth disorder acromegaly through the control of IGF-I, which is also important for sight disorders like diabetic retinopathy.

ANP is excited about the drug’s therapeutic potential based on encouraging results achieved in animal studies in reducing serum IGF-I. Serum IGF-I is easy to measure and is generally accepted as the clinical endpoint for the treatment of patients with acromegaly. This then provides the unique opportunity for ANP to be able gain an early, but significant indication of ATL1103’s activity, and consequently its therapeutic potential in the first clinical study of ATL1103.

With respect to **ATL1101** for prostate cancer, ANP has generated preclinical data confirming the drug's effectiveness in suppressing human prostate cancer tumour growth in animal models. ANP has already completed certain toxicology studies on this drug, and it is the Company's present view that the drug could proceed straight into a clinical trial in prostate cancer patients. ANP is simultaneously in discussions with interested parties/potential partners with regard to the further development of ATL1101 for prostate cancer.

ATL1101 and ATL1103 potentially position the Company with 2 drugs poised to enter clinical trials in humans.

As a measure of the value that can be created with a successful prostate cancer therapeutic program, in mid-2009 Cougar Biotechnology, a US biotech company developing a prostate cancer drug CB7630 (abiraterone), was acquired by J&J for ~US\$1billion based on abiraterone's Phase II clinical data.

In addition to ATL1101 and ATL1103, ANP now have the rights back to the aerosol or **inhaled application of ATL1102** which would add another project to the Company's pipeline. Based on successful animal studies, the Company believes inhaled ATL1102 has significant potential as a treatment for asthma. There is growing interest in the use of antisense drugs for the treatment of asthma. Recently Australian biotechnology company Pharmaxis Ltd acquired the Canadian based biotechnology company Topigen Pharmaceuticals whose lead drug candidate, TPI ASM8, is an antisense drug in Phase 2 clinical development for asthma with a second antisense drug candidate, TPI 1100, in preclinical development for Chronic Obstructive Pulmonary Disease.

3. Finance and Corporate

ANP has funding to cover its current commitments. Importantly and in addition, the Company has a number of valuable assets, and so options available to ANP may include selling or licensing out one or more of these projects or raising additional capital to further advance these programs.

As outlined above, there is significant existing value and potential inherent in ANP's assets and it is the Company's objective to build and realise the value in its assets. ANP will continue to keep its shareholders and the market informed with regard to all of the activities and initiatives outlined above.

Mark Diamond
Managing Director

Antisense Therapeutics Limited (ASX: ANP) is an Australian publicly listed biopharmaceutical drug discovery and development company. Its mission is to create, develop and commercialise antisense pharmaceuticals for large unmet markets. ANP has two drugs in development and two drugs in pre-clinical research. ATL1102 (injection) has successfully completed a Phase II efficacy and safety trial, significantly reducing the number of MRI lesions in patients with multiple sclerosis. ATL1103 is a second-generation antisense drug designed to lower blood IGF-I levels and is entering the clinical stage of development as a potential treatment for growth and vision disorders. ATL1102 (inhaled) is at the pre-clinical research stage as a potential treatment for asthma. ATL1101 is a second-generation antisense drug at the pre-clinical stage being investigated as a potential treatment for prostate cancer

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