

20 December 2006

Growth and sight disorders drug, ATL1103, to progress towards clinical development

Antisense Therapeutics (ANP) is pleased to report that the Company is planning to further develop its second generation antisense drug ATL1103 for growth and sight disorders. Sufficient quantities of the drug will be manufactured for pre-clinical safety and initial human clinical trials which will then be formulated into injectable product to be used in the toxicology studies planned for the 2nd Half of 2007.

ATL1103 is designed to work by blocking growth hormone receptor (GHR) expression thereby reducing levels of the hormone insulin-like growth factor-1 (IGF-I) in the blood and is a potential treatment for the growth disorder acromegaly (characterized by abnormal growth of organs, face hands and feet) as well as for diabetic retinopathy, a common disease of the eye and a leading cause of blindness.

In animal study results previously reported by the Company, ATL1103 demonstrated its intended therapeutic action by significantly reducing IGF-I levels in the blood. Suppression of IGF-I in the blood is an important indicator of clinical benefit in the treatment of acromegaly and diabetic retinopathy. In a primate study, monkeys were injected with ATL1103 over a 6 week period. IGF-I levels were suppressed by 35% relative to placebo, a level of effect, which if achieved in humans, would provide potential therapeutic benefit.

ATL1103 has also demonstrated its intended therapeutic action in an animal model of retinopathy by significantly reducing retinal neovascularisation (the growth of abnormal new blood vessels). In the human disease, these new abnormal blood vessels break and bleed into the eye leading to scarring within the eye and, in turn, blindness if not treated.

ANP CEO Mark Diamond commented "ATL1103 provides us with another potentially high quality drug to complement our lead drug ATL1102 for multiple sclerosis which is currently in Phase II clinical trials. ATL1103 is well suited to move into clinical development as;

- ATL1103's biological target, GHR, is clinically validated, meaning that clinical studies have confirmed that suppression of GHR in humans provides effective disease treatment
- Serum IGF-I is an easy to measure and a reliable clinical endpoint which can be assessed in early clinical studies and,
- ATL1103 has already demonstrated its intended activity in a series of animal studies.

These 3 factors significantly reduce the associated development risk, and as a consequence the Company is very keen to move forward as aggressively as possible with the development of this compound"

Background Information

ATL1103 is a second generation antisense drug designed to block growth hormone receptor (GHR) expression thereby reducing levels of the hormone insulin-like growth factor-I (IGF-I) in the blood and is a potential treatment for diseases associated with excessive growth hormone action. These diseases include acromegaly (an abnormal growth disorder of organs, face, hands and feet) and diabetic retinopathy. The latter disorder is a common disease of the eye and a major cause of blindness. Acromegalic patients are known to have significantly higher blood IGF-I levels than healthy individuals. Reduction of these levels to normal is accepted by clinical authorities as the primary marker of an effective drug treatment for the disease. In the case of diabetic retinopathy, published clinical studies have shown that treatments producing a reduction in IGF-I levels retarded the progression of the disease in patients.

Acromegaly is a serious chronic life shortening disease triggered by excess secretion of growth hormone (GH) by benign pituitary tumours. Oversupply of GH over stimulates liver, fat and kidney cells, through their GH receptors, to produce excess levels of Insulin-Like Growth Factor-I (IGF-I) in the blood manifesting in abnormal growth of the face, hands and feet, and enlargement of body organs including liver, kidney and heart. The primary treatments for acromegaly are to surgically remove the pituitary gland and/or drug therapy to normalize GH and serum IGF-I levels. In North America, Europe and Japan there are approximately 40,000 diagnosed acromegaly patients with about half requiring drug therapy. In 2004, the total acromegaly market was valued at US\$780M and forecast to grow with the introduction of newer and more effective medications.

Diabetic retinopathy is one of the leading causes of vision loss. Over 5 million Americans aged 18 and older are affected by diabetic retinopathy. Around 12,000-24,000 patients with diabetic retinopathy lose their eyesight each year in the US alone. This condition is caused by new blood vessel formation in the retina or macula (the central part of the retina). In diabetes, high blood glucose can cause oxygen deprivation in certain tissues, which can stimulate factors that induce additional blood vessels in the retina. These new blood vessels may break and bleed into the eye leading to scarring within the eye. Surgical ablative treatments such as photocoagulation (laser therapy) are available but are not completely effective, may cause partial vision loss, and can only be used a limited number of times. There is presently no pharmaceutical therapeutic approved for the treatment of diabetic retinopathy.

About Antisense Therapeutics Limited

Antisense Therapeutics Limited (ASX: ANP) is an Australian publicly listed biopharmaceutical drug discovery and development company. Its mission is to create, develop and commercialise novel antisense pharmaceuticals for large unmet markets. ANP's major shareholders include Circadian Technologies Limited (ASX: CIR) and Isis Pharmaceuticals Inc (NASDAQ: ISIS).

Contact Information:

Website: www.antisense.com.au

Managing Director – Mark Diamond +61 3 9827 8999

Company Secretary – Phillip Hains +61 3 9824 5254

Media – Market Connect (Simon Watkin) +61 3 9686 9931