



**ASX RELEASE**  
**26 February 2013**

## **Tissue Therapies Limited (ASX:TIS) - Additional placement details**

In accordance with Listing Rule 3.10.5A Tissue Therapies Limited ("**Tissue**") advises as follows in relation to the placement announced this morning:

1 The dilution to existing shareholders as a result of the placement is as follows:

- (a) Issue under Listing Rule 7.1 – 14% and
- (b) Issue under Listing Rule 7.1A – 10%,

resulting in a total dilution of 24%.

2 Further details of the approximate percentage of the issued capital post the 7.1 and 7.1A placement (of approximately 41.5 million shares) held by the pre-placement security holders and new security holders are as follows:

|  |     |
|--|-----|
| <b>Pre-placement security holders who did not participate in the placement</b> | 79% |
| <b>Pre-placement security holders who did participate in the placement</b>     | 6%  |
| <b>Participants in the placement who were not previously security holders</b>  | 15% |

3 Tissue issued shares to sophisticated and institutional investors as it was considered to be a more efficient mechanism for raising the Company's immediate capital needs. The placement did not expose Tissue to the market volatility that may have been experienced over a more protracted capital raising process. As announced this morning, following completion of the placement, Tissue is intending to conduct a pro-rata rights issue to allow existing eligible shareholders to participate in the overall capital raising process.

4 No underwriting arrangements were in place for the placement.

5 Fees payable to the joint lead managers, Bell Potter Securities Limited and RBS Morgans Corporate Limited, are 6% of the total funds raised under the placement.

## What is VitroGro<sup>®</sup> ECM

- VitroGro<sup>®</sup> ECM is a topically applied, biomimetic scaffold, comprising a synthetic extracellular matrix (ECM) protein.
- How it works: VitroGro<sup>®</sup> ECM replaces the degraded matrix of a hard to heal wound. VitroGro<sup>®</sup> ECM binds to a prepared wound bed and provides a physical structure (a scaffold) for cell attachment, which is a primary requirement for subsequent cell functions critical for healing, such as cell proliferation and migration <sup>[1]</sup>.
- An optimal scaffold: One of the characteristics of hard to heal wounds is prolonged inflammation, which damages the native ECM that would normally guide the wound healing process <sup>[1,2,3,4]</sup>. Replacement of this damaged ECM is a beneficial strategy for treating hard to heal wounds <sup>[1]</sup>. VitroGro<sup>®</sup> ECM is ideal as an ECM replacement since its structural and functional elements mimic those present in the ECM at the early stages of normal wound healing.
- Expert health economics modeling indicates that VitroGro<sup>®</sup> ECM offers the opportunity for substantially more cost effective treatment of wounds compared to the current standard of care.

[1] Widgerow AD . Deconstructing the stalled wound. Wounds 2012

[2] Schultz GS. Extracellular Matrix: review of its roles in acute and chronic wounds. World Wide Wounds. 2005

[3] Moor AN. et al. Proteolytic activity in wound fluids and tissues derived from chronic venous leg ulcers. Wound Rep Reg. 2009

[4] International consensus, Acellular matrices for treatment of wounds. Wounds Int. 2010

## About Tissue Therapies Limited

Tissue Therapies Limited is a biomedical technology company that is developing significantly more effective treatments for acute and chronic wound healing applications, including chronic skin ulcers and burns. Tissue Therapies Limited is commercialising VitroGro<sup>®</sup> ECM, a technology created by cell biology, tissue engineering and protein engineering experts at the Institute of Health and Biomedical Innovation at the Queensland University of Technology. The company is also developing treatments for psoriasis, scar prevention and various cancers including those of the breast, colon and prostate. Tissue Therapies Limited's shares are traded on the Australian, Berlin and Frankfurt stock exchanges.

More information: [www.tissuetherapies.com](http://www.tissuetherapies.com)

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