

For Immediate Release

CyGenics Acquires Stake in DNAPro in Exchange for Cell Sciences Subsidiary

Key Points:

- Disposes of wholly owned subsidiary, Cell Sciences, in exchange for 20% stake in DNAPro
- Will result in a gain on disposal of approximately A\$450,000
- Transaction targeted to generate improved return on investment in Cell Sciences, and to enable CyGenics to focus on core business of tissue banking
- Establishes Malaysian presence to pursue new business opportunities

1st September 2006 – Leading tissue banking and cell therapy company CyGenics Ltd. (ASX: CYN) today announced that it had disposed of its wholly owned subsidiary, Cell Sciences Pte Ltd, in exchange for a 20% equity in DNAPro Sdn Bhd.

Cell Sciences is primarily a distributor of various medical and research products. DNAPro is a Malaysian company engaged in manufacturing and trading biopharmaceutical products. These include hepatitis B vaccine (recombinant), and anti-cancer and anti-AIDS vaccines. It supplies various medical products to the Malaysian government and the private sector.

“We have long wanted to tap into the growing healthcare sector in Malaysia,” said Steven Fang, Group CEO, CyGenics. “DNAPro is the partner we have been looking for. Our exchange of Cell Sciences for a minority interest in DNAPro, is expected to provide an improved return, partially from the synergies generated. Further, this transaction allows us to better focus on our core revenue generating activity of cord blood banking, which has seen annual growth in excess of 70%.”

It is further expected that this arrangement will provide the CyGenics group, which will have a representative on DNAPro’s board, with enhanced access to the Malaysian healthcare markets, and enable cross-selling and licensing of DNAPro’s products via CyGenics’ international network. CyGenics now has a business presence in Australia, Hong Kong, China, India, Indonesia, the Netherlands, the Philippines, Malaysia, Singapore, Thailand, the UK and the US.

“DNAPro is now part of a growing global family,” said Dr. Halim Bin Hamat, Managing Director, DNAPro. “Our association with CyGenics will help open doors for our growing vaccines business into other parts of the world. The acquisition of Cell



Sciences in particular, with its established relationships with various healthcare establishments, will help drive DNAPro's business forward.”

About CyGenics

CyGenics is an international cell therapy company focused on the development and commercialisation of adult stem cell-related products, services, applications and technologies. From its headquarters in Australia, CyGenics operates four subsidiaries: Singapore-based CordLife (tissue banking services, in particular, cord blood banking), and BioCell, a cord blood bank in Melbourne, Australia, and Cytomatrix (cell therapeutics and technology development) and Cytovations (consumable cell culture products and new product development) based in New Jersey, USA. CyGenics is listed on the Australian Stock Exchange, under the symbol CYN. For more information, please visit www.cygenics.com.

For more information, please contact:

<p>Ian Brown, COO Ph: +61 (0)3 9642 5580 Mob: +61 (0)438 565 212 Email: ian.brown@cygenics.com</p> <p>Steven Fang, CEO Mob: +61 (0)400 933 243 Email: steven.fang@cygenics.com</p> <p>Ronald Hee Ph: +65 9061 9098 Email: ronald.hee@cygenics.com</p>	<p>Rebecca Piercy Buchan Consulting Ph: +61 (0)2 9237 2800 Mob: +61 (0)422 916 422 Email: rpiercy@bcg.com.au</p>
--	--