

Tuesday, January 30, 2007

COMPANY PRESS RELEASE

Transgenomic, Inc. Announces Strategic Relationship

Omaha, Neb., January 30, 2007 – Transgenomic, Inc. (**Nasdaq:TBIO**) today announced that the company has entered into a strategic relationship with ARUP Laboratories of Salt Lake City, Utah. Transgenomic will provide reference laboratory services to ARUP for the analysis of patient samples for mitochondrial DNA mutations, and mutations for other disorders. Transgenomic has developed expertise in analyzing the whole mitochondrial genome, and proprietary tools have allowed the company to detect mutations in samples with less than 5% of mutated DNA.

In making the announcement, Transgenomic's President and Chief Executive Officer, Craig Tuttle, stated, "We are very excited to enter into a relationship with ARUP Laboratories. ARUP is one of America's leading clinical diagnostic laboratories serving over 3,000 hospitals today. This relationship will enable Transgenomic to provide a critical diagnostic service to hundreds of patients with mitochondrial disorders."

Noriko Kusakawa, Ph.D., Vice President and Director of New Technology and Licensing at ARUP Laboratories, stated, "Mitochondrial diseases are a clinically heterogeneous group of disorders and are often difficult to diagnose. The incidence of this disease is much higher than previously thought and impacts about 1 in 8,500 individuals in the U.S. Transgenomic has expertise in mitochondrial genome analysis, and our relationship with Transgenomic will enable ARUP to provide a much needed diagnostic service to physicians for the management of these serious diseases."

About Transgenomic: A decade of discovery 1997 - 2007

Transgenomic is a global biotechnology company that provides unique systems, products, discovery and laboratory testing services to the academic and medical research, clinical and pharmaceutical markets for automated high sensitivity genetic variation and mutation analysis in the fields of pharmacogenomics and personalized medicine. This is accomplished through their offerings of WAVE[®] DHPLC Systems, reagents, consumables and assay kits, automated cytogenetics systems and Transgenomic Discovery and CLIA Lab Services. To date there have been over 1,200 WAVE systems installed in over 600 customer sites in over 35 countries and approximately 1,500 publications utilizing Transgenomic products or services. Transgenomic Discovery and Lab Services utilize their technology and expertise to provide a menu of mutation scanning tests for over 700 cancer-associated genes and more than 60 validated diagnostic tests to meet the needs of pharmaceutical and biotech companies, research and clinical laboratories, physicians and patients. For more information about the innovative systems, products and services offered by Transgenomic, please visit: www.transgenomic.com.

Transgenomic Cautionary Statements

Certain statements in this press release constitute "forward-looking statements" of Transgenomic within the meaning of the Private Securities Litigation Reform Act of 1995, which involve known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. Forward-looking statements include, but are not limited to, those with respect

to management's current views and estimates of future economic circumstances, industry conditions, company performance and financial results, including the ability of the Company to grow its involvement in the diagnostic products and services markets. The known risks, uncertainties and other factors affecting these forward-looking statements are described from time to time in Transgenomic's reports to the Securities and Exchange Commission. Any change in such factors, risks and uncertainties may cause the actual results, events and performance to differ materially from those referred to in such statements. Accordingly, the company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 with respect to all statements contained in this press release. All information in this press release is as of the date of the release and Transgenomic does not undertake any duty to update this information, including any forward-looking statements, unless required by law.

About ARUP Laboratories

ARUP Laboratories is a national clinical and anatomic pathology reference laboratory and an enterprise of the University of Utah and its Department of Pathology. With more than 1,900 employees, ARUP offers in excess of 2,000 tests and test combinations, ranging from routine screening tests to highly esoteric molecular and genetic assays, for patients throughout the country. Rather than competing with its clients for physician office business, ARUP chooses instead to support clients' existing test menus by offering highly complex and unique tests, with accompanying consultative support, to enhance their abilities to provide local and regional laboratory services. ARUP's clients include more than half of the nation's university teaching hospitals and children's hospitals, as well as multihospital groups, major commercial laboratories, group purchasing organizations, military and government facilities, and major clinics. In addition, ARUP is a worldwide leader in innovative laboratory research and development, led by the efforts of the ARUP Institute for Clinical and Experimental Pathology™. Further information on ARUP Laboratories can found at www.aruplab.com.