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COMPANY PRESS RELEASE

Transgenomic's WAVE® System Used to Address Challenges in the Diagnosis and Treatment of Gastrointestinal Stromal Tumors

Study Identifies Spectrum of Cancer-Associated Mutations with Implications for Patient Management

OMAHA, Neb., August 10, 2005 / -- Transgenomic Inc. ([Nasdaq: TBIO](#)) announced today the publication of a study in which its WAVE System was utilized to detect mutations in the platelet-derived growth factor receptor alpha (PDGFRA) gene in gastrointestinal stromal tumors (GISTs). This study entailed analysis of the spectrum of mutations identified in a series of GISTs from more than 1,000 patients, coupled with assessment of the impact of various mutations on sensitivity/resistance to imatinib. Results suggested that mutation screening is likely to play an increasing role in the management of GIST patients treated with imatinib or other drugs currently in development.

Drs. Christopher Corless and Michael Heinrich (Department of Pathology; Division of Hematology and Oncology, Oregon Health & Science University Cancer Institute) and colleagues described this work in an article entitled "PDGFRA Mutations in Gastrointestinal Stromal Tumors: Frequency, Spectrum, and In Vitro Sensitivity to Imatinib", which was published in the August 10 issue of the *Journal of Clinical Oncology*.

Dr. Corless commented on the significance of this work. "While the majority of activating mutations in GIST are found in a different gene -- the KIT gene, GISTs with mutations in PDGFRA represent a subset that poses new challenges in diagnosis and treatment. These tumors more often test weakly or negative for KIT protein expression, the current 'gold standard' for GIST diagnosis and initiation of imatinib therapy. In addition, based on our results, approximately two-thirds of GISTs are likely to be imatinib-resistant based on the presence of specific mutations, while the remaining third, harboring different mutations, are in fact likely to respond to standard therapy."

Collin D'Silva, Transgenomic's chairman and CEO, commented, "Important work by the team of Drs. Corless, Heinrich, and colleagues over the past several years has contributed enormously to advancing the 'bench-to-bedside' story associated with GIST. We believe their results to date strongly suggest that mutation screening of both the KIT and PDGFRA genes could be of significant benefit in the management of GIST patients. We are delighted to see our technology deployed so productively in their research, and we are optimistic about its potential positive impact on patient care."

About Transgenomic

Transgenomic is a global company that provides versatile and innovative products and services to the medical research and pharmaceutical markets. Transgenomic's WAVE Systems are specifically designed for use in genetic variation detection. They have broad applicability to genetic research and molecular diagnostics. The emerging pursuit of personalized medicine is driving the ongoing need to detect new, uncharacterized mutations and genetic polymorphisms. The high analytical sensitivity of the WAVE System makes it a uniquely enabling technology for the advancement of personalized medicine. To date there have been over one thousand systems installed in over 30 countries around the world. In addition to the sale of systems and consumables, Transgenomic provides services to pharmaceutical and biopharmaceutical companies in preclinical and clinical development of targeted therapeutics. For more information about the innovative genomics research tools developed and marketed by Transgenomic, please visit the company's Web site at www.transgenomic.com.

Forward-Looking Statement

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. 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.

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