

Theralase Technologies Inc. Announces Q2 Financials

Toronto, Ontario – August 30, 2011 Theralase Technologies Inc. (TSX-V: TLT) announces its second quarter 2011 financials.

Revenue remained fairly constant year over year with total revenue for the three month period ending June 30, 2011 at \$688,606, compared to \$640,270 for the same period in 2010, an increase of 7.5%.

Selling expenses increased for the three month period ending June 30, 2011 to \$327,216, compared to \$165,432 for the same period the previous year an increase of 98%. The increase is primarily due to increases in the sales and marketing costs associated with the new Territory Sales Managers hired for the US market expansion.

Administrative expenses increased to \$319,972 for the three month period ending June 30, 2011 compared to \$311,707 for the same period the previous year, an increase of 2.7% as a result of increased expenditures on administrative staff.

Research and development costs increased to \$176,623 for the three month period ending June 30, 2011 compared to \$161,299 for the same period in 2010, a 9.5% increase. The increase is primarily due to the development costs associated with the patented TLC-2000 biofeedback therapeutic laser system, scheduled to be commercially launched Q1 2012 and costs associated with the research and development of Theralase's patented Photo Dynamic Compounds (PDCs) being developed for cancer, virus and bacteria destruction. In order to capitalize on this research for sterilization in the food processing industries, Theralase has entered into an applied research partnership with George Brown College and is considering other strategic alliances.

Roger Dumoulin-White, President and CEO of Theralase Technologies Inc. stated, "The net loss for the three month period ended June 30, 2011 was \$357,262 which included \$20,597 of non-cash expenses (amortization, stock-based compensation expense, foreign exchange gain/loss and lease inducements). The company expenses the future product development costs of the patented TLC-2000 biofeedback therapeutic laser system and TLC-3000 Photo Dynamic Compound technology from existing TLC-1000 therapeutic laser product sales, resulting in the overall net loss. The investment in our future will secure our position as an international leader in medical laser technology both in the therapeutic tissue healing space as well as the tissue destruction space for decades to come."

During the quarter, Theralase announced the appointment of Dr. James R. Andrews as Chairman to its Medical and Scientific Advisory Board. Further appointments include senior medical orthopaedic practitioners and healthcare specialists from the renowned American Sports Medicine Institute (ASMI) and Alabama Sports Medicine & Orthopaedic Center (ASMOC) located in Birmingham, Alabama. ASMOC, founded by Dr. Andrews, is a specialized North American facility widely recognized throughout the world for the treatment of a full range of orthopaedic sports injuries. ASMI is a world renowned sports medicine research and education foundation. Joining Dr. Andrews as Advisory Board appointees are medical and physiotherapy specialists from ASMI, including: Dr. Lyle Cain, Dr. Jeffrey Dugas, Kevin Wilk, DPT and Lanier Johnson. They are an elite and influential team of professionals who are able to help

guide Theralase in the expansion of its world class therapeutic laser technology into the US medical market.

Theralase is preparing for significant growth in the 2nd half of 2011 and in 2012 as the Company expands its sales and marketing efforts in the US and internationally and prepares for the launch of its patented TLC-2000 biofeedback therapeutic laser in Q1 2012.

The complete consolidated financial statements and MD&A for the three and six months ending June 30, 2011 can be found at www.thermalase.com and www.sedar.com.

There is an earnings conference call scheduled for September 1st, 2011 at 8:30am ET. The call in number is 1-866-440-8936, the conference ID is 8791351#. The call will be hosted by Roger Dumoulin-White, President & CEO of Theralase Technologies Inc.

About Theralase Technologies Inc.

Theralase Technologies Inc. founded in 1995, designs, develops, manufactures and markets patented, superpulsed laser technology utilized in biostimulation and biodestruction applications. The technology is safe and effective in the treatment of chronic pain, neural muscular-skeletal conditions and wound care. When combined with its patented, light-sensitive Photo Dynamic Compounds, Theralase laser technology is able to specifically target and destroy cancers, bacteria and viruses, as well as microbial pathogens associated with food contamination. For further information please visit www.thermalase.com

This press release contains forward-looking statements which reflect the Company's current expectations regarding future events. The forward-looking statements involve risks and uncertainties. Actual results could differ materially from those projected herein. The Company disclaims any obligation to update these forward-looking statements.

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