

FOR IMMEDIATE RELEASE

TSX VENTURE: HTL



HAMILTON THORNE ANNOUNCES 2010 SECOND QUARTER RESULTS

-Sales up 57% year-over-year and 36% on a sequential basis-

TORONTO, Ontario – August 23, 2010 - Hamilton Thorne Ltd. (TSX-V: HTL), a leading provider of advanced laser systems and instruments for the stem cell research and fertility clinic markets, today reported operational and financial results for the second quarter ended June 30, 2010.

“The improving fundamentals of the stem cell and regenerative medicine market are reflected in our strong sales growth. Sales increased as a direct result of the increased demand for our laser products with our quarterly sales up 57% year-over-year and sales up 36% over the first quarter,” said Meg Spencer, Chief Executive Officer of Hamilton Thorne Ltd. “Our focus to expand our sales reach into our markets is highlighted by the vendor partnership that we secured with Leica Microsystems, a leading micro-optics manufacturer. This partnership allows us dramatically to advance our penetration into the regenerative medicine market, to develop sales strategy collaboratively and ultimately to provide us with sales growth in North America. We intend to pursue additional distribution partnerships with leaders in the market to continue to grow our presence in labs worldwide.”

Highlights

- Partnered with Leica Microsystems GmbH of Wetzlar, Germany, a leading global designer and producer of innovative high-tech precision optics systems for the analysis of microstructures. The vendor partnership enables Hamilton Thorne to draw on Leica Microsystems’ specialized technical sales group and provides for the companies to work collaboratively to develop sales strategy and exchange leads to increase market penetration.
- Launched Staccato™ multi-pulse laser system at the 8th Annual Meeting of the International Society of Stem Cell Research (ISSCR), June 16-19, 2010, in San Francisco, CA. Staccato™ will add to the functionality of the XYClone® laser system, providing the ability of near-continuous application of the laser to the sample through rapid pulsing of the beam.
- Previewed the breakthrough Stiletto™ laser system, which is currently in beta site testing. The Stiletto™ laser system combines a proprietary laser, controller software and an automated stage for high speed scoring and separation of stem cell colonies. The Company intends to complete beta site testing and launch Stiletto™ in the second half of 2010.
- Subsequent to quarter end, closed debentures offering of US\$1.25 million.

Financial Results

All amounts are in US dollars, unless specified otherwise, and results expressed in accordance with Canadian Generally Accepted Accounting Principles (GAAP).

For the three months ended June 30, 2010, the Company recorded sales of \$1,608,520, compared to \$1,018,870 for the same period last year. The sales increases were attributable primarily to increased demand for its laser products and revenues from its Hawk-I installation.

The Company's customers in the regenerative medicine field primarily use the Company's products in research applications. During 2009, the Company's sales, particularly in North America and Europe, were adversely impacted by budget freezes and extended purchasing cycles for research products. These issues have improved in 2010.

Cost of sales for the three months ended June 30, 2010 was \$599,199, compared to \$404,212 for the same period last year. Gross margins as a percent of sales improved for the comparable quarters to 62.7% from 60.3%. The improvements in the three month period were due primarily to the fact that manufacturing costs are largely fixed and did not increase proportionately with the increase in sales which more than offset the higher material cost due to aggressive pricing offered to establish a reference site for the Hawk-i product line.

For the three months ended June 30, 2010, total operating expenses were \$1,310,926, compared to \$1,047,581 for the same period last year.

Research and development (R&D) expenses for the three months ended June 30, 2010 were \$228,947, compared with \$220,924 for the same period last year. Sales and marketing expenses for the three months ended June 30, 2010 were \$595,107, compared with \$467,469 for the same period last year. General and administrative expenses for the three months ended June 30, 2010 were \$486,872, compared with \$359,188 for the same period last year.

The net loss for the quarter ended June 30, 2010 was \$363,770, a decrease from the net loss of \$521,584 for the same period of the previous year. The improvement was due to the increased sales and related margins along with decreased interest offset by increased operating expenses.

The Company also announced that it will grant 162,818 stock options to an officer of the Company pursuant to its stock option plan effective August 25, 2010 at the closing price on the date of grant. The options vest quarterly, with 1/16 vested at time of grant and 1/16 vesting each subsequent quarter, with an expiry ten years from the date of grant.

As at June 30, 2010, the Company's available cash and cash equivalents (including cash availability under its credit line) amounted to \$276,703.

As of June 30, 2010 the Company had 24,415,157 common shares, 5,500,005 warrants, 3,542,756 options, and 440,001 agent compensation options outstanding.

The financial statements are available on www.sedar.com.

About Hamilton Thorne Ltd. (www.hamiltonthorne.com)

Hamilton Thorne's advanced laser systems and instruments are rapidly emerging as the dominant products to facilitate precise procedures in the stem cell research and fertility clinic markets. Hamilton Thorne's lead products, the ZILOS-tk and XYClone laser systems, attach to standard inverted microscopes and operate as robotic micro-surgeons, significantly reducing time and increasing efficiency in key in-vitro fertilization, stem cell, embryo, reproductive toxicology, and living cell procedures.

Hamilton Thorne's growing customer base includes pharmaceutical companies, biotechnology companies, fertility clinics, university research centers, and other commercial and academic research establishments worldwide. Current customers include world-leading research labs such as Harvard University, MIT, Yale, DuPont, Monsanto, Charles River Labs, Jackson Labs, Merck, Novartis, Pfizer, Oxford University, and Cambridge.

Neither the Toronto Venture Exchange, nor its regulation services provider (as that term is defined in the policies of the exchange), accepts responsibility for the adequacy or accuracy of this release.

Certain information in this press release may contain forward-looking statements. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward looking-statements unless and until required by securities laws applicable to the Company. Additional information identifying risks and uncertainties is contained in filings by the Company with the Canadian securities regulators, which filings are available at www.sedar.com.

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Financials results included below:

Hamilton Thorne Ltd.
Consolidated Balance Sheets

As at June 30, 2010 and December 31, 2009
(Expressed in U.S. Dollars - unaudited)

	2010	2009
Assets		
Current		
Cash and cash equivalents	6,703	1,356,371
Accounts receivable	1,084,947	499,875
Inventories	569,882	512,300
Prepaid expenses and other current assets	53,027	72,689
Note receivable, officer	-	23,813
	1,714,559	2,465,048
Capital assets	111,285	90,481
Other assets	125,656	72,454
	1,951,500	2,627,983
Liabilities		
Current		
Accounts payable and accrued liabilities	1,496,017	1,171,562
Notes payable	54,159	83,037
Capital lease obligations, current	5,753	5,753
Deferred revenue	166,769	35,881
	1,722,698	1,296,233
Capital lease obligations, non-current	4,537	7,904
Long-term debt	4,780,000	5,050,000
	6,507,235	6,354,137
Shareholders' Equity (Deficiency)		
Common shares	24,345,752	24,341,938
Warrants	344,949	344,949
Contributed surplus	279,267	199,767
Accumulated deficit	(29,525,703)	(28,612,808)
	(4,555,735)	(3,726,154)
	1,951,500	2,627,983

Hamilton Thorne Ltd.
Consolidated Statements of Operations and Comprehensive Loss and Deficit
For the periods ended June 30, 2010 and 2009
(Expressed in U.S. Dollars - unaudited)

	Six Months		Three Months	
	2010	2009	2010	2009
Sales	2,789,207	2,134,424	1,608,520	1,018,870
Cost of sales	1,069,685	823,073	599,199	404,212
	1,719,522	1,311,351	1,009,321	614,658
Expenses				
Research and development	479,254	397,697	228,947	220,924
Sales and marketing	1,080,794	910,004	595,107	467,469
General and administrative	940,255	741,653	486,872	359,188
	2,500,303	2,049,354	1,310,926	1,047,581
Loss from operations	(780,781)	(738,003)	(301,605)	(432,923)
Other income (expense)				
Interest expense, net, including accretion	(132,114)	(173,057)	(62,165)	(88,661)
Net loss and comprehensive loss	(912,895)	(911,060)	(363,770)	(521,584)
Accumulated deficit at beginning of period:	(28,612,808)	(27,225,220)	(29,161,933)	(27,614,696)
Accumulated deficit at end of period:	(29,525,703)	(28,136,280)	(29,525,703)	(28,136,280)
Loss per share				
Basic	\$ (0.04)	\$ (0.06)	\$ (0.01)	\$ (0.03)
Diluted	\$ (0.04)	\$ (0.06)	\$ (0.01)	\$ (0.03)
Weighted average number of common shares outstanding				
Basic	24,415,157	16,035,067	24,415,157	16,035,067
Diluted	24,917,072	16,035,067	24,939,580	16,035,067

Hamilton Thorne Ltd.
Consolidated Statements of Cash Flows

For the periods ended June 30, 2010 and 2009

(Expressed in U.S. Dollars - unaudited)

	<i>Six Months</i>		<i>Three Months</i>	
	2010	2009	2010	2009
Cash flows from operating activities				
Net loss for the year	(912,895)	(911,060)	(363,770)	(521,584)
Adjustments to reconcile net loss to net cash used in operating activities:				
Depreciation and amortization	31,191	57,402	16,164	27,951
Non-cash interest expense/accretion	-	75,378	-	37,897
Share-based compensation expense	79,500	19,450	39,750	9,700
Changes in non-cash operating assets and liabilities:				
Accounts receivable	(585,072)	475,576	(502,981)	30,246
Inventories	(57,582)	5,773	(57,891)	(486)
Prepays and other current assets	43,475	(8,162)	12,921	(23,914)
Other assets	(57,000)	(9,402)	-	(7,734)
Accounts payable and accrued liabilities	324,455	24,361	342,087	162,459
Deferred revenue	130,888	(3,355)	127,971	5,770
	(1,003,040)	(274,039)	(385,749)	(279,695)
Cash flows from investing activities				
Purchase of capital assets	(48,197)	(58,017)	(11,101)	(16,493)
Cash flows from financing activities				
Proceeds from debt	754,454	447,714	256,411	277,714
Private placement costs refunded	3,814	-	3,814	-
Payments on debt	(1,056,699)	(117,767)	(553,015)	(5,345)
	(298,431)	329,947	(292,790)	272,369
Net Increase (decrease) in cash and cash equivalents				
	(1,349,668)	(2,109)	(689,640)	(23,819)
Cash and cash equivalents, beginning of period	1,356,371	5,029	696,343	26,739
Cash and cash equivalents, end of period	6,703	2,920	6,703	2,920