SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 1999, or

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________to___________

Commission file number 0-17272

TECHNE CORPORATION
(Exact name of registrant as specified in its charter)

MINNESOTA	41-1427402
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

614 MCKINLEY PLACE N.E.		(612) 379-8854
MINNEAPOLIS, MN	55413	(Registrant's telephone number, including area code)
(Address of principal executive offices)	(Zip Code)	

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes (X) No ( )

At November 8, 1999, 20,169,992 shares of the Company's Common Stock (par value $.01) were outstanding.

PART I - FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

TECHNE CORPORATION & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

<TABLE>
<CAPTION>

<S>	9/30/99 <C>	6/30/99 <C>
ASSETS		
Cash and cash equivalents	$ 14,100,680	$ 12,769,468
Short-term investments	18,056,656	16,344,656
Accounts receivable (net)	13,616,147	13,520,409
Inventories	5,066,575	5,715,065
Deferred income taxes	2,172,000	2,101,000
Other current assets	624,472	399,850
Total current assets	53,636,530	50,850,448
Deferred income taxes	3,413,000	3,137,000
Fixed assets (net)	42,853,198	15,065,234
Intangible assets (net)	43,257,437	45,564,750
Other assets	6,804,413	9,183,087

TOTAL ASSETS	$149,964,578	$123,800,519
	============	============
LIABILITIES & EQUITY		
Trade accounts payable	$ 3,205,981	$ 2,375,029
Salary and related accruals	1,755,121	2,313,450
Other payables	5,824,231	5,547,702
Income taxes payable	4,872,408	3,226,451
Current portion of long-term debt	778,062	-
	------------	------------
Total current liabilities	16,435,803	13,462,632
Deferred rent	-	1,963,500
Royalty payable	10,594,000	11,536,000
Long-term debt	19,561,544	-
Common stock, par value $.01 per share; authorized 50,000,000; issued and outstanding 20,163,742 and 20,132,655, respectively	201,637	201,327
Additional paid-in capital	35,867,934	34,525,581
Retained earnings	66,794,881	62,058,879
Accumulated foreign currency translation adjustments	508,779	52,600
	------------	------------
Total stockholders' equity	103,373,231	96,838,387
	------------	------------
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$149,964,578	$123,800,519
	============	============

</TABLE>

See notes to unaudited Consolidated Financial Statements.

TECHNE CORPORATION & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)

<TABLE>
<CAPTION>

	QUARTER ENDED	
	9/30/99	9/30/98
<S>	<C>	<C>
Sales	$ 24,621,053	$ 21,335,192
Cost of sales	6,996,770	6,614,877
	------------	------------
Gross margin	17,624,283	14,720,315
Operating expenses (income):		
Selling, general and administrative	4,405,198	4,431,095
Research and development	3,190,895	2,752,125
Amortization expense	2,307,313	2,394,662
Interest expense	367,098	-
Interest income	(236,460)	(212,411)
	------------	------------
	10,034,044	9,365,471
	------------	------------
Earnings before income taxes	7,590,239	5,354,844
Income taxes	2,742,000	1,830,000
	------------	------------
Net earnings	$ 4,848,239	$ 3,524,844
	============	============
Basic earnings per share	$ 0.24	$ 0.18
Diluted earnings per share	$ 0.23	$ 0.17
Weighted average common shares outstanding:		
Basic	20,150,702	20,115,898
Diluted	20,823,718	20,543,604

</TABLE>

See notes to unaudited Consolidated Financial Statements.

TECHNE CORPORATION & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

<TABLE>
<CAPTION>

	QUARTER ENDED	
	9/30/99	9/30/98
CASH FLOWS FROM OPERATING ACTIVITIES:		
<S>	<C>	<C>
Net earnings	$ 4,848,239	$ 3,524,844
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	3,063,986	2,929,880
Deferred income taxes	(312,000)	(370,000)
Tax benefit from exercise of options	153,000	135,000
Other	460,781	336,623
Change in current assets and current liabilities, net of acquisition:		
(Increase) decrease in:		
Accounts receivable	52,830	(2,903,205)
Inventories	730,588	317,639
Other current assets	(128,535)	(153,741)
Increase (decrease) in:		
Trade account/other payables	(16,940)	1,575,186
Salary and related accruals	(564,169)	(718,813)
Income taxes payable	1,586,084	1,073,792
NET CASH PROVIDED BY OPERATING ACTIVITIES	9,873,864	5,747,205
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition	-	(24,967,220)
Purchase of short-term investments	(3,360,000)	(3,020,000)
Proceeds from sale of short-term investments	1,648,000	7,343,793
Additions to fixed assets	(24,353,398)	(1,042,242)
Real estate deposit (Note B)	(2,000,000)	-
Increase in other long term assets	(1,450,000)	(150,000)
NET CASH USED IN INVESTING ACTIVITIES	(29,515,398)	(21,835,669)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of common stock	219,426	616,400
Mortgage note	20,400,000	-
Payments on long-term debt	(60,394)	-
Repurchase of common stock	-	(1,414,508)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	20,559,032	(798,108)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	413,714	139,976
NET CHANGE IN CASH AND EQUIVALENTS	1,331,212	(16,746,596)
CASH AND EQUIVALENTS AT BEGINNING OF PERIOD	12,769,468	27,372,345
CASH AND EQUIVALENTS AT END OF PERIOD	$ 14,100,680	$ 10,625,749

</TABLE>

See notes to unaudited Consolidated Financial Statements.

TECHNE CORPORATION & SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

A. BASIS OF PRESENTATION:

The unaudited Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles and with instructions to Form 10-Q and Article 10 of Regulation S-X. The accompanying unaudited Consolidated Financial Statements reflect all adjustments which are, in the opinion of management, necessary to a fair presentation of the results for the interim periods presented. All such adjustments are of a normal recurring nature.

A summary of significant accounting policies followed by the Company is detailed in the Annual Report to Shareholders for Fiscal 1999. The Company follows these policies in preparation of the interim Financial Statements. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. It is suggested that the Consolidated Financial Statements be read in conjunction with the Company's Consolidated Financial Statements and Notes thereto for the fiscal year ended June 30, 1999 included in the Company's Annual Report to Shareholders for Fiscal 1999.

Certain Consolidated Balance Sheet captions appearing in this interim report are as follows:

<TABLE>
<CAPTION>

<S>	9/30/99 <C>	6/30/99 <C>
ACCOUNTS RECEIVABLE		
Accounts receivable	$ 13,922,147	$ 13,820,409
Less reserve for bad debts	306,000	300,000
NET ACCOUNTS RECEIVABLE	$ 13,616,147	$ 13,520,409
INVENTORIES		
Raw materials	$ 1,462,339	$ 2,105,150
Supplies	98,468	110,227
Finished goods	3,505,768	3,499,688
TOTAL INVENTORIES	$ 5,066,575	$ 5,715,065
FIXED ASSETS		
Land	$ 871,000	$ -
Buildings and improvements	40,763,496	-
Laboratory equipment	11,681,398	11,308,984
Office equipment	3,328,982	3,294,704
Leasehold improvements	196,234	13,770,763
	56,841,110	28,374,451
Less accumulated depreciation and amortization	13,987,912	13,309,217
NET FIXED ASSETS	$ 42,853,198	$ 15,065,234
INTANGIBLE ASSETS		
Customer list	$ 18,010,000	$ 18,010,000
Technology licensing agreements	500,000	500,000
Goodwill	39,075,089	39,075,089
	57,585,089	57,585,089
Less accumulated amortization	14,327,652	12,020,339
NET INTANGIBLE ASSETS	$ 43,257,437	$ 45,564,750

</TABLE>

B. REAL ESTATE ACQUISITION:

On July 1, 1999, the Company purchased the facilities it occupied in Minneapolis, Minnesota for approximately $28 million. Cash of $4 million and 100,000 shares of Common Stock valued at $2.16 million were placed in escrow during the third quarter of fiscal 1999. The remainder of the purchase price was financed through cash on hand and a $20.4 million 15-year mortgage. The interest rate on the mortgage is fixed at 7% for the first seven years and is thereafter adjusted based on U.S. Treasury rates.

In addition, the Company paid $2 million and issued seven-year warrants to purchase 60,000 shares of the Company's common stock at $23.77 per share as a nonrefundable deposit on the option to purchase property adjacent to its Minneapolis facility. The fair market value of the warrants was $858,000.

C. EARNINGS PER SHARE:

Shares used in the earnings per share computations are as follows:

<TABLE>
<CAPTION>

	QUARTER ENDED	
	9/30/99	6/30/99
<S>	<C>	<C>
Weighted average common shares outstanding--basic	20,150,702	20,115,898
Dilutive effect of stock options and warrants	673,016	427,706
Average common shares outstanding--diluted	20,823,718	20,543,604

</TABLE>

D. SEGMENT INFORMATION:

Following is financial information relating to the Company's operating segments:

<TABLE>
<CAPTION>

	QUARTER ENDED	
	9/30/99	6/30/99
<S>	<C>	<C>
External sales		
Hematology	$ 3,163,688	$ 3,049,779
Biotechnology	15,074,320	13,037,513
R&D Systems Europe	6,383,045	5,247,900
Total external sales	$24,621,053	$21,335,192
Intersegment sales		
Hematology	$ -	$ -
Biotechnology	3,186,429	2,656,713
R&D Systems Europe	61,270	82,338
Total intersegment sales	$ 3,247,699	$ 2,739,051
Income before taxes		
Hematology	$ 929,974	$ 805,754
Biotechnology	6,572,996	4,415,445
R&D Systems Europe	1,046,301	713,585
Corporate and other	(959,032)	(579,940)
Total income before taxes	$ 7,590,239	$ 5,354,844

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</TABLE>

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations Quarter Ended September 30, 1999 vs. Quarter Ended September 30, 1998

Techne Corporation (Techne) has two operating subsidiaries: Research and Diagnostic Systems, Inc. (R&D Systems) located in Minneapolis, Minnesota and R&D Systems Europe Ltd. (R&D Europe) located in Abingdon, England. R&D Systems has two divisions: Biotechnology and Hematology. The Biotechnology Division manufactures purified cytokines (proteins), antibodies and assay kits, which are sold primarily to biomedical researchers and clinical research laboratories. The Hematology Division develops and manufactures whole blood hematology controls and calibrators which are sold to hospital and clinical laboratories to check the performance of their hematology instruments to assure the accuracy of hematology test results. R&D Europe sells R&D Systems' biotechnology products in Europe, both directly and through a sales subsidiary in Germany. The Company has a foreign sales corporation, Techne Export Inc.

The Company has an approximate 49% interest in the issued and outstanding voting shares of ChemoCentryx, Inc. (CCX), a technology and drug development company working in the area of chemokines. Chemokines are cytokines which regulate the trafficking patterns of leukocytes, the effector cells of the human immune system. In conjunction with the equity investment and joint research efforts, Techne obtains exclusive worldwide research and diagnostic marketing rights to chemokine proteins, antibodies and receptors discovered or developed by CCX or R&D Systems. The Company accounts for this investment under the equity method of accounting and recognizes 100% of the losses of CCX due to the limited amount of cash consideration provided by the holders of the common shares of CCX. The Company's investment in CCX was $2,535,470 and $1,910,931 at September 30, 1999 and June 30, 1999, respectively.

Net Sales

Net sales for the quarter ended September 30, 1999 were $24,621,053, an increase of $3,285,861 (15%) from the quarter ended September 30, 1998. R&D Systems sales increased $2,150,716 (13%) and R&D Europe sales increased $1,135,145 (22%) for the quarter ended September 30, 1999. The increase in sales for the quarter was due largely to a $1.7 million increase in protein and antibody sales and a $.9 million increase in immunoassay kit sales.

Gross Margins

Gross margins, as a percentage of sales, increased from the prior year. Margins for the first quarter of fiscal 2000 were 71.6% compared to 69.0% for the same quarter in fiscal 1999. Biotechnology Division margins increased from 69.8% to 73.2% for the quarter ended September 30, 1999. Margins in the first quarter of last year were affected by the higher cost of inventory acquired from Genzyme Corporation, the majority of which was sold in fiscal 1999. The increase in Biotechnology Division gross margins also reflect the benefit from increased sales volume. R&D Europe gross margins decreased from 46.1% to 44.7% for the quarter as a result of changes in exchange rates. Hematology Division gross margins also decreased slightly from 46.0% to 45.6% for the quarter.

Selling, General and Administrative Expenses

Selling, general and administrative expenses decreased $25,897 (1%) from the first quarter of fiscal 1999. This was mainly the result of decreased rent expense due to the Company's purchase of its Minneapolis facility.

Research and Development Expenses

Research and development expenses increased $438,770 (16%) for the quarter ended September 30, 1999. The increase related to products currently under development, many of which have been or will be released in fiscal 2000.

Products currently under development include both biotechnology and hematology products.

Net Earnings

Earnings before income taxes increased $2,235,395 from $5,354,844 in the first quarter of fiscal 1999 to $7,590,239 in the first quarter of fiscal 2000. The increase in earnings before income taxes was due to an increase in Biotechnology Division earnings of $2,157,551, an increase in R&D Europe earnings of $332,716 and an increase in Hematology Division earnings of $124,220 for the quarter ended September 30, 1999. These increases were offset by increased net losses of CCX of $91,617 and interest expense of $367,098 for the quarter ended September 30, 1999.

Income taxes for the quarter ended September 30, 1999 were provided at a rate of approximately 36% of consolidated pretax earnings compared to 34% for the first quarter of fiscal 1999. The increase in the tax rate is mainly due to the increased net loss by CCX for which no tax benefit has been provided and the expiration of the U.S. credit for research and development expenditures. U.S. federal taxes have been reduced by the benefit of the foreign sales corporation. Foreign income taxes have been provided at rates which approximate the tax rates in the United Kingdom and Germany.

Liquidity and Capital Resources

At September 30, 1999, cash and cash equivalents and short-term investments were $32,157,336 compared to $29,114,124 at June 30, 1999. The Company believes it can meet its future cash, working capital and capital addition requirements through currently available funds, cash generated from operations and maturities of short-term investments. The Company has an unsecured line of credit of $750,000. The interest rate on the line of credit is at prime. There were no borrowings on the line in the prior or current fiscal years.

Cash Flows From Operating Activities

The Company generated cash of $9,873,864 from operating activities in the first three months of fiscal 2000 compared to $5,747,205 for the first three months of fiscal 1999. The increase was mainly the result of increased net earnings and the absence in fiscal 2000 of the large increase in accounts receivable in fiscal 1999 which resulted from the Genzyme acquisition.

Cash Flows From Investing Activities

During the three months ended September 30, 1999 short-term investments increased by $1,712,000. During the three months ended September 30, 1998, the Company decreased short-term investments by $4,323,793. The Company's investment policy is to place excess cash in short-term tax-exempt bonds. The objective of this policy is to obtain the highest possible return with the lowest risk, while keeping the funds accessible.

Cash spent on fixed assets was $24,353,398 (including $21.9 million for the building purchase) for the first three months of fiscal 2000, compared to $1,042,242 for the first three months of fiscal 1999. Included in the fiscal 2000 and 1999 additions were $1,900,000 and $683,000 for building improvements related to remodeling of facilities by R&D Systems. The remaining capital additions in fiscal 2000 and 1999 were for laboratory and computer equipment. Total expenditures for capital additions and building improvements planned for the remainder of fiscal 2000 are expected to cost approximately $6.0 million and are expected to be financed through currently available funds and cash generated from operating activities.

During the first quarter of fiscal 2000, the Company invested an additional $1 million in ChemoCentryx, Inc.

Cash Flows From Financing Activities

Cash of $219,426 and $616,400 was received during the three months ended September 30, 1999 and 1998, respectively, for the exercise of options for

24,770 and 143,100 shares of common stock. During the first three months of fiscal 2000 options for 10,792 shares of common stock were exercised by the surrender of 3,475 shares of the Company's common stock with fair market values of $112,271.

During the first three months of fiscal 1999, the Company purchased and retired 94,000 shares of Company common stock at a market value of $1,414,508. The Board of Directors has authorized the Company, subject to market conditions and share price, to purchase and retire up to $10 million of its common stock. Through November 8, 1999, 650,600 shares have been purchased at a market value of $8,754,114.

The Company has never paid cash dividends and has no plans to do so in fiscal 2000.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

At September 30, 1999, the Company had an investment portfolio of fixed income securities, excluding those classified as cash and cash equivalents, of $18,056,656. These securities, like all fixed income instruments, are subject to interest rate risk and will decline in value if market interest rates increase. However, the Company has the ability to hold its fixed income investments until maturity and therefore the Company does not expect to recognize an adverse impact in income or cash flows.

The Company operates internationally, and thus is subject to potentially adverse movements in foreign currency rate changes. The Company does not enter into foreign exchange forward contracts to reduce its exposure to foreign currency rate changes on intercompany foreign currency denominated balance sheet positions. Historically, the effect of movements in the exchange rates has been immaterial to the consolidated operating results of the Company.

Y2K ISSUES

The Company has taken steps to ensure that it is not adversely affected by Y2K software failures which may arise in software applications where two-year digits are used to define the applicable year. The Company has completed its review of computer hardware and software. Any necessary upgrades which have not been completed at the current time will be completed during the fourth quarter of calendar 1999. The Company is continuing its review of non-computer hardware that contains embedded processors to ensure that the equipment will function properly or that contingency plans are in place before the end of calendar 1999.

The Company has also communicated with many of its suppliers and service providers regarding compliance with Y2K requirements. As a result of such inquiries, no significant deficiencies have been identified. The Company will continue to monitor these third parties for Y2K compliance. The Company also plans to have sufficient quantities of critical raw materials on hand by December 31 to allow for interruptions of service by its vendors. For raw materials with a short shelf life (i.e. blood), the Company deals with the issue of shortages of these components in the normal course of business and generally has several vendors for each of these raw materials.

To date, the cost of the review and upgrade of the Company's computer applications is approximately $25,000 and the Company estimates the cost to complete the process should not exceed $50,000. There can be no assurance, however, that there will not be a delay in, or increased costs associated with, upgrading the Company's computer systems, which could have a material adverse effect on the operations and financial position of the Company. In addition, there can be no assurances that the Company's customers and suppliers will not be adversely affected by their own Y2K issues, which may indirectly adversely affect the Company.

PART II - OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

No change

ITEM 2 - CHANGES IN SECURITIES

On July 1, 1999, the Company issued to Hillcrest Development, a Minnesota Limited Partnership, Warrants to purchase 60,000 shares of Common Stock in connection with an option to purchase certain real estate. The Warrants are exercisable from July 1, 2000 through June 30, 2006 at $23.77 per share. The issuance of such securities was deemed to be exempt from registration under the Securities Act of 1933 by virtue of Section 4(2) thereof.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4 - SUBMISSION OF MATTERS TO VOTE OF SHAREHOLDERS

(a) The Annual Meeting of the Registrant's shareholders was held on Thursday, October 21, 1999.

(b) A proposal to set the number of directors at seven was adopted by a vote of 16,745,658 in favor with 48,775 shares against, 26,271 shares abstaining and no shares represented by broker nonvotes.

(c) Proxies for the Annual meeting were solicited pursuant to Regulation 14A under the Securities Exchange Act of 1934. There was no solicitation in opposition to management's nominees as listed in the proxy statement, and all such nominees were elected, as follows:

Nominee	For	Withheld
Thomas E. Oland	16,735,833	84,871
Roger C. Lucas	16,720,433	100,271
Howard V. O'Connell	16,732,533	88,171
G. Arthur Herbert	16,543,605	277,099
Randolph C. Steer	16,733,083	87,621
Lowell E. Sears	16,733,933	86,771
Christopher S. Henney	16,735,783	84,921

ITEM 5 - OTHER INFORMATION

Forward Looking Information and Cautionary Statements: Statements in this filing, and elsewhere, which look forward in time involve risks and uncertainties which may affect the actual results of operations. The following important factors, among others, have affected and, in the future, could affect the Company's actual results: the introduction and acceptance of new biotechnology and hematology products, the levels and particular directions of research into cytokines by the Company's customers, the impact of the growing number of producers of cytokine research products and related price competition, the retention of hematology OEM and proficiency survey business, the Company's expansion of marketing efforts in Europe, and the costs and results of research and product development efforts of the Company and of companies in which the Company has invested or with which it has formed strategic relationships.

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

A. EXHIBITS

See exhibit index immediately following signature page.

B. REPORTS ON FORM 8-K

No reports on Form 8-K were filed during the quarter ended September 30, 1999.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TECHNE CORPORATION
(Company)

Date: November 12, 1999 Thomas E. Oland

Thomas E. Oland
President, Chief Executive and
Financial Officer

EXHIBIT INDEX
TO
FORM 10-Q

TECHNE CORPORATION

Exhibit #	Description
10.1	Employment Agreement, dated October 1, 1999, with Timothy M. Heaney
27	Financial Data Schedule

EMPLOYMENT AGREEMENT

DATE: October 1, 1999

PARTIES: Techne Corporation, a
Minnesota Corporation
614 McKinley Place N.E.
Minneapolis, Minnesota 55413

Timothy M. Heaney
4013 Roanoke Circle
Golden Valley, MN 55422

AGREEMENTS:

ARTICLE 1.
TERM OF EMPLOYMENT: DUTIES AND SUPERVISION

1.1) Parties. The parties to this agreement are Timothy M. Heaney ("Employee") and Techne Corporation ("Techne"). As used herein, "Company" refers to Techne Corporation and its subsidiaries including Research and Diagnostic Systems, Inc. ("R&D"), unless specifically provided otherwise. All of the rights and obligations created by this Agreement may be performed by or enforced by or against the Company or R&D or other appropriate subsidiary.

1.2) Term of Employment. The Company hereby employs Employee as Vice President and General Counsel of the Company and of R&D for the term beginning October 1, 1999 and continuing through September 30, 2002 unless employment terminates earlier as provided in Article 5 hereof.

1.3) Duties and Supervision. During the term of this Agreement, Employee agrees to devote his full time and best efforts to the business and affairs of the Company, and to perform such services and duties Employee may from time to time be assigned by the Company, and specifically its President. It is intended that immediately following the next annual meeting of shareholders of Techne, Employee shall be elected a director of Techne by its Board of Directors.

ARTICLE 2.
COMPENSATION

2.1) Salary. During the balance of the Company's fiscal year 2000, i.e., October 1, 1999 through June 30, 2000, the Company shall pay to Employee as base compensation for services to be rendered hereunder compensated at an annual rate of $175,000, to be paid semi-monthly or in accordance with the usual payroll practices of the Company. Each subsequent fiscal year during the term of Employee's employment by the Company, under this Agreement, Employee's salary shall be reviewed but not reduced by the President and the Compensation Committee of the Board of Directors of the Company.

2.2) Management Incentive Bonus Plan. During each year of the term of Employee's employment, Employee shall be eligible to earn a bonus equal to 40%, as herein defined, of his base compensation. The performance standards for earning such bonus shall be established annually by the President and Compensation Committee of the Board of Directors of the Company but the eligibility for a 40% bonus shall not be amended during the term of this Agreement except with the consent of Employee. At least one-half of such bonus shall be paid in the form of stock options with an aggregate exercise price equal to such one-half of the bonus amount. Such options are to be granted on July 1 immediately after the close of the fiscal year and the exercise price is to be based on the market price of the Company's Common Stock at the close of the fiscal year. The other one-half of any bonus earned may be taken, at the election of the Employee, either in cash or in additional stock options with an exercise price equal to 170% of such one-half of the bonus amount. Bonuses shall be based on the Company's fiscal year and shall be pro rated for any year in which the Employee is employed only part of the fiscal year.

2.3) Other Employee Compensation and Benefits. In addition to the compensation and benefits provided to Employee in Sections 2.1 and 2.2 hereof, Employee shall be entitled to participate in other employee compensation and benefit plans from time to time established by the Company and made available generally to all employees. Employee shall participate in such compensation and benefit plans on an appropriate and comparable basis determined by the Board of Directors by reference to all other employees eligible for participation. With regard to all insured benefits to be provided to Employee, benefits shall be subject to due application by Employee, the Company has no obligation to pay insured benefits directly and such benefits are payable to Employee only by the insurers in accordance with their policies. Employee shall not be reimbursed for unused personal days or sick days. In determining Employee's eligibility for participation in Employee compensation and benefits plans, Employee shall be given credit for, i.e., considered to have been employed by the Company for, the period during which he has served as legal counsel to the Company unless such prior service credit is prohibited by law as to a particular benefit, in which case he shall be paid the equivalent of the benefit as additional cash compensation. Tim will be granted 3wks. Vacation initially & 4 weeks after 5 yrs. of service.

ARTICLE 3.
PAYMENT OF CERTAIN EXPENSES

3.1) Business Expenses. In order to enable Employee to better perform the services required of him hereunder, the Company shall pay or reimburse Employee for business expenses in accordance with policies to be determined from time to time by the Board of Directors. Employee agrees to submit documentation of such expenses as may be reasonably required by Company. Eligible business expenses shall include annual attorney registration fees and reasonable expenses of earning credits to meet continuing legal education requirements.

ARTICLE 4.
INVENTIONS, PROPRIETARY INFORMATION AND COMPETITION

4.1) Prior Agreement. Neither the execution of this Agreement nor any provision in it shall be interpreted as rescinding or revoking the Employee Agreement With Respect To Inventions, Proprietary Information, and Unfair Competition previously entered into between the Company and Employee as of October 1, 1999 (the "Prior Agreement"). The Company and Employee hereby agree that the terms of such Prior Agreement shall apply to all businesses of the Company, including not only business conducted by the Company but also to business conducted through Techne or any subsidiary or venture of Techne now existing or hereafter created. The termination of this Employment Agreement shall not terminate Employee's obligations under the Prior Agreement.

ARTICLE 5.
TERMINATION

5.1) Events of Termination. Employee's employment shall terminate as follows:

(A) By mutual written agreement of the parties.

(B) Upon death of Employee.

(C) Employee may terminate his employment at any time upon written notice provided to the Board of Directors at least 90 days prior to the effective date of termination.

(D) The Company may terminate Employee's employment as follows:

(i) In the event of the merger, sale of the business, or change in control of the Company, provided that the salary and bonus continuation provisions of Article 6.1 of this Agreement are met.

(ii) By written notice to Employee, the Company may terminate Employee's employment immediately with cause. For purposes of this Agreement, "cause" shall mean material dishonesty or gross misconduct on the part of Employee in the performance of Employee's duties hereunder, serious breach of Company policies or failure on the part of Employee to perform material duties assigned to Employee by the Company's President or Board of Directors.

(iii) Upon the occurrence of physical or mental disability of Employee to such an extent that Employee is unable to carry on essential functions of Employee's position, with or without reasonable accommodation, and such inability continues for a period of three months.

5.2) Records and Files. In the event of termination of employment of Employee hereunder, possession of each corporate file and record shall be retained by the Company, and Employee or his heirs, assigns and legal representatives shall have no right whatsoever in any such material, information or property.

ARTICLE 6.
TERMINATION BENEFITS

6.1) Termination Benefits. In the event Employee's employment by the Company is terminated, voluntarily or involuntarily by the Company, an acquirer or Employee, in connection with a merger, sale or "change in control" of the Company or Techne, Employee shall be paid at the time of such termination an amount equal to eighteen months compensation, including salary, benefits and bonus based on the assumption that all performance criteria would have been met had employment continued. For purposes of this Section 6.1, "change in control" means the acquisition in one or more transactions by a single party, or any number of parties acting in concert, of a majority of the outstanding shares of voting stock of the Company or substantially all of the assets of the Company.

ARTICLE 7.
MODIFICATIONS

7.1) Modifications. Except as provided in Section 4.1 above, this Agreement supersedes all prior agreements and understandings between the parties relating to the employment of Employee by the Company and it may not be changed or terminated orally. No modification, termination, or attempted waiver of any of the provisions of this Agreement shall be valid unless in writing signed by the party against whom the same is sought to be enforced.

ARTICLE 8.
GOVERNING LAW AND SEVERABILITY

8.1) Governing Law. The validity, enforceability, construction and interpretation of this Agreement shall be governed by the laws of the State of Minnesota.

8.2) Severability. If any term of this Agreement is deemed unenforceable, void, voidable, or illegal, such unenforceable, void, voidable or illegal term shall be deemed severable from all other terms of this Agreement which shall continue in full force and effect and the Company and Employee expressly acknowledge that a court of competent jurisdiction may, at Company's request, modify and thereafter enforce any of the terms, conditions, and covenants contained in this Agreement.

ARTICLE 9.
BINDING EFFECT

9.1) Binding Effect. The breach by the Company of any other agreement or instrument between the Company and Employee shall not excuse or waive Employee's performance under, or compliance with, this Agreement. This Agreement shall be binding upon and inure to the benefit of the Company, its successors and assigns, and Employee, his heirs, assigns, and legal representatives. The rights of Employee hereunder are personal and may not be assigned or transferred except as may be agreed to in writing by the Company.

ARTICLE 10.
ARBITRATION

10.1) Arbitration. Any dispute arising out of or relating to this

Agreement or the alleged breach of it, or the making of this Agreement, including claims of fraud in the inducement, shall be discussed between the disputing parties in a good faith effort to arrive at a mutual settlement of any such controversy. If, notwithstanding, such dispute cannot be resolved, such dispute shall be settled by binding arbitration. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall be a retired state or federal judge or an attorney who has practiced securities or business litigation for at least 10 years. If the parties cannot agree on an arbitrator within 20 days, any party may request that the chief judge of the District Court for Hennepin County, Minnesota, select an arbitrator. Arbitration will be conducted pursuant to the provisions of this Agreement, and the commercial arbitration rules of the American Arbitration Association, unless such rules are inconsistent with the provisions of this Agreement, but without submission of the dispute to such Association. Limited civil discovery shall be permitted for the production of documents and taking of depositions. Unresolved discovery disputes may be brought to the attention of the arbitrator who may dispose of such dispute. The arbitrator shall have the authority to award any remedy or relief that a court of this state could order or grant; provided, however, that punitive or exemplary damages shall not be awarded. The arbitrator may award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees, including the arbitrator's fees, administrative fees, travel expenses, out-of-pocket expenses and reasonable attorneys' fees. Unless otherwise agreed by the parties, the place of any arbitration proceedings shall be Hennepin County, Minnesota.

IN WITNESS WHEREOF, the parties have executed this Agreement and caused it to be dated as of the day and year first above written.

TECHNE CORPORATION

By: /S/ Thomas E. Oland

Its President
"Company"

/S/ Timothy M. Heaney

Timothy M. Heaney
"Employee"

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