Living Cell Technologies Limited
Company Announcement
Appendix 4C Quarterly Cash Flow Report to 30 June 2010

- Cash at 30 June 2010 $3,121,365
- 128% increase in grant revenue
- Further $2m received on 13 July from underwriters of expiring options

30 July 2010 – Sydney, Australia, Auckland, New Zealand– Living Cell Technologies Limited (ASX: LCT; OTCQX: LVCLY) , a global company pioneering the development of cell implants to treat diabetes, announced today the quarterly cash flow report for the quarter ended 30 June 2010. The Appendix 4C is attached. The cash balance at the end of the quarter was $3,121,365 compared to $4,090,696 at 31 March 2010. This decrease reflects the continuing development of the lead product DIABECELL®. On 13 July 2010 the company issued a further 9,523,810 shares to expiring option underwriters raising a further $2,000,000.

Net operating cash outflows in the quarter were $1,278,190 compared to $1,257,133 last quarter. Expenditure included $768,463 on research and development ($891,261 last quarter) for the supply of DIABECELL® for the clinical trial in New Zealand. Cash received from Government and JDRF grants was $476,320 ($209,194 last quarter), showing the first claims under the NZD4m matching grant to scale up production of DIABECELL® announced on 12 February and the Juvenile Diabetes Research Foundation grant announced on 27 April. Receipts from customers were $379,320 ($222,613 last quarter) including the Centocor Research & Development Inc. research collaboration.

Capital expenditure was $43,643 in the quarter, compared to $112,639 last quarter, reflecting purchase of equipment to reduce risk and scale up production.

During the quarter a further two patients in the New Zealand clinical trial received implants of DIABECELL®, the company's encapsulated insulin producing cells for Type 1 diabetes. On 30 March the New Zealand Data Safety and Monitoring Board approved progressing to the next stage of the Phase II trial with a higher dose. The first patient has dropped his daily insulin dose by 25% while maintaining his usual blood glucose levels and eliminated life-threatening episodes of hypoglycaemic unawareness, a serious disease-related complication without warning symptoms which can lead to accidents and coma. The Phase I/IIa clinical trial in Russia has continued to show positive results and confirmed the safety of multiple implants of DIABECELL®.

- Ends -

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About Living Cell Technologies - www.lctglobal.com

Living Cell Technologies (LCT) is developing cell-based products to treat life threatening human diseases. The Company owns a biocertified pig herd that it uses as a source of cells for treating diabetes and neurological disorders. For patients with Type 1 diabetes, the Company transplants microencapsulated islet cells so that near-normal blood glucose levels may be achieved without the need for administration of insulin or at significantly reduced levels. The Company entered clinical trials for its diabetes product in 2007. For the treatment of Parkinson's disease and other neurological disorders, the company transplants microencapsulated choroid plexus cells that deliver beneficial proteins and neurotrophic factors to the brain. LCT's technology enables healthy living cells to be injected into patients to replace or repair damaged tissue without requiring the use of immunosuppressive drugs to prevent rejection. LCT also offers medical-grade porcine-derived products for the repair and replacement of damaged tissues, as well as for research and other purposes.

LCT Disclaimer

This document contains certain forward-looking statements, relating to LCT's business, which can be identified by the use of forward-looking terminology such as "promising," "plans," "anticipated," "will", "project", "believe", "forecast", "expected", "estimated", "targeting", "aiming", "set to," "potential," "seeking to," "goal," "could provide," "intends," "is being developed," "could be," "on track," or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA's and other health authorities' requirements regarding any one or more product candidates nor can there be any assurance that such product candidates will be approved by any health authorities for sale in any market or that they will reach any particular level of sales. In particular, management's expectations regarding the approval and commercialization of the product candidates could be affected by, among other things, unexpected clinical trial results, including additional analysis of existing clinical data, and new clinical data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. LCT is providing this information and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.

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