



Living Cell Technologies Limited Company Announcement

Appendix 4C Quarterly Cash Flow Report 30 September 2011

28 October 2011: Sydney, Australia & Auckland, New Zealand – Living Cell Technologies Limited (ASX: LCT; OTCQX: LVCLY), a cell implant company, announced today the quarterly cash flow report for the quarter ended 30 September 2011. The Appendix 4C is attached. The cash balance at the end of the quarter was \$2,875,447 compared to \$4,504,677 at 30 June 2011. This decrease reflects the continuing development cost of the lead product DIABECCELL[®] and the primate study of NTCELL for the treatment of Parkinson's disease.

Net operating cash outflows in the quarter were \$1,797,312 compared to \$1,864,942 last quarter. Expenditure included \$1,350,842 on research and development (\$1,292,328 last quarter) for the supply of DIABECCELL for the clinical trial in New Zealand and preclinical studies of NTCELL. Cash received from grants was \$230,924 (\$422,456 last quarter).

Capital expenditure was \$39,314 in the quarter, compared to \$82,163 last quarter, reflecting purchase of equipment to scale up production and improve processes.

Financing activities include the final \$150,000 tranche of the SpringTree facility.

During the quarter 4 patients in the clinical trial in Argentina received the first of two implants of DIABECCELL, the company's encapsulated insulin producing cells for Type 1 diabetes. On 19 October 2011 the company announced that it had agreed to form a 50/50 company Diatranz Otsuka Limited (DOL) with Otsuka Pharmaceutical Factory, Inc. (OPF) to accelerate the commercialisation of DIABECCELL. LCT will transfer DIABECCELL assets into Diatranz Otsuka Limited and OPF will invest \$25m in DOL.

- Ends -

For further information: www.lctglobal.com

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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. The Company's lead product, DIABECCELL[®], consists of microencapsulated porcine islets which are implanted into a patient's abdomen using a simple laparoscopic procedure. DIABECCELL is designed to help normalise the lives of people with unstable Type 1 diabetes, especially those suffering from life-threatening episodes of unaware hypoglycaemia (low blood sugar), a dangerous and potentially fatal diabetes complication. The Company entered clinical trials for its diabetes product in 2007 and very encouraging results have been reported to date. There have been no reports of remarkable product related adverse events. For the treatment of Parkinson's disease and other neurological disorders, the company implants microencapsulated

choroid plexus cells NTCELL 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.