Living Cell Technologies Limited
Company Announcement

LCT's DIABECELL® Registered for Sale and Use in Russia

10 December 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 that its Russian subsidiary, LCT Biomedical Limited, has received registration of the Company's groundbreaking diabetes treatment, DIABECELL, as a marketable medical technology in Russia. Registration allows for the sale and use of the DIABECELL technology in the treatment of Type 1 diabetes in Russia. LCT Biomedical Limited was established by LCT in 2009 to facilitate the commercial development of DIABECELL in Russia.

DIABECELL is the world's first registered porcine cell implant therapy, administered by simple laparoscopic procedure. DIABECELL has been shown to safely reduce insulin requirements of Type 1 diabetics. In patients with unstable diabetes, DIABECELL can eliminate life threatening episodes of a potentially fatal complication known as hypoglycaemic unawareness; this is when a patient has no awareness when their blood sugar is dropping to dangerously low levels.

Dr Ross Macdonald, Chief Executive Officer of LCT said: "This is a major step toward global commercialisation of this important advancement in the treatment of diabetes, providing us with the necessary authority to commercialise DIABECELL in Russia. This registration was granted following clinical trials conducted in Russia with patients suffering from insulin dependent Type 1 diabetes. These trials demonstrated that our product safely reduces a patient's need for insulin."

LCT's Russian clinical trial programme commenced in June 2007 and involved eight patients between 21 and 68 years of age with insulin-dependent diabetes. Each received between one and three implants of DIABECELL with no significant product-related adverse events. Blood samples taken from patients after a 52-week follow-up tested negative for any pig-to-human transmission of diseases. Six of the eight patients showed long-term improvements in blood glucose control as reflected by both reduction in glycated haemoglobin (HbA1c %) levels and reduction of the required daily dose of insulin injections. Two patients discontinued insulin injections entirely for about eight months. The trial was conducted in the Sklifosovsky Research Institute Moscow.

This is LCT's first commercialisation milestone in its global strategy for DIABECELL. Meanwhile the Company is currently conducting Phase II trials in New Zealand with patients suffering from unstable Type 1 diabetes and expects to begin pivotal Phase III trials in New Zealand next year.

DIABECELL is LCT's treatment designed to normalise the lives of people with insulin dependent diabetes. DIABECELL comprises encapsulated porcine insulin-producing cells (islets) that are implanted into the abdomen of patients using a simple laparoscopic procedure, and work by self-regulating and efficiently secreting insulin in the patient's body. LCT's breakthrough

proprietary encapsulation technology, IMMUPEL™, means that patients receiving the DIABECELL implant do not require immune suppressing drugs after implantation.

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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. For patients with Type 1 diabetes, the Company implants lead product DIABECELL, 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, NTCELL, which delivers beneficial proteins and neurotrophic factors to the brain. LCT's breakthrough microencapsulation technology, IMMUPEL, 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.