



Living Cell Technologies Limited Company Announcement

International foundations team up to fund LCT NZ trial

- **Two leading charitable foundations make joint contribution to provide US \$280,000 funding**
- **Grants will directly sponsor two remaining patients in the DIABECCELL[®] Phase II trial**
- **LCT nearing the conclusion of Phase II trials**

16 February 2011: 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 two international charitable foundations - New Zealand-based Cure Kids and U.S.-based Children with Diabetes Foundation - have teamed up to provide grants to support LCT's diabetes program. Each charity will provide a US \$140,000 grant to directly sponsor each of the two recently added patients in the Company's extended New Zealand Phase II clinical trial of its DIABECCELL treatment for Type 1 diabetes.

LCT's current New Zealand Phase II trial will be concluded after the treatment of these two patients and their subsequent evaluation. Completion of this trial signifies an exciting and significant milestone for LCT and takes the transformational treatment for diabetes one step closer to helping the millions of people worldwide with the disease.

Prof. Bob Elliott, LCT's Medical Director and founder said: "These grants will allow LCT to complete the dose-finding part of our research as we seek the dose regimen that provides the optimal patient benefit. These two patients will join two others, each receiving an implant of DIABECCELL at a dose of 5,000 IEQ/kg. This will complete our exploration to determine the minimum effective dose."

"Both of these leading charitable foundations are focused on diseases that afflict children. Having the support of these foundations who understand better than anyone the need for new and improved treatments for Type 1 diabetes is very satisfying and a validation of the progress LCT has made with DIABECCELL. These foundations appreciate that the research being conducted today offers hope for our children in the future. We are very thankful for their support."

To date, twelve of the approved New Zealand patients with unstable insulin dependent diabetes

have received this ground-breaking treatment, which has been shown to safely improve diabetes management and reduce or eliminate episodes of life-threatening low blood glucose levels. The dramatic results to date show DIABECCELL's ability to ameliorate this serious complication of diabetes, known as hypoglycaemic unawareness, is an important potential benefit to patients.

The first four patients in the Phase II trial received one implant of DIABECCELL at a dose of 10,000 islet equivalents per kilogram body weight (IEQ/kg). A second group of four patients has received a higher dose of 15,000 IEQ/kg. In the third group of two patients, a high dose of 20,000 IEQ/kg was administered. The fourth group of four patients will receive the dose of 5,000 IEQ/kg.

Cure Kids (previously Child Health Research Foundation) was established over 30 years ago to address the lack of research into life-threatening childhood illnesses in New Zealand. Since then, the organisation has invested over \$25 million in medical research. This research has helped save hundreds of young lives and has improved the quality of life for thousands of children.

The Children with Diabetes Foundation's mission is to find a cure for Type 1 Diabetes through the funding of human clinical trials which will either prevent diabetes or cure the disease by normalizing blood glucose levels. They seek out promising research which will someday lead to safe, efficacious and affordable solutions. The Children With Diabetes Foundation (www.cwdfoundation.org) is a 501(c)(3) U.S. non-profit, and donations are tax deductible in the U.S.

Vicki Lee, CEO of Cure Kids said: "We've been closely monitoring and watching the work of LCT and have been very impressed with the outcome of the research to date. We are strong supporters of the Company's efforts to find an effective treatment for this life-threatening disease, and share Professor Elliott's vision to make this available to children and adults alike."

Sonia Chritton, President of The Children with Diabetes Foundation added: "We view this contribution as a critical part of our role in supporting families and people living with diabetes globally. We are anxiously awaiting the results of LCT's Phase II clinical trials. We are happy to provide support for a complete examination of the DIABECCELL dose ranges. This is critical for determining the dose that delivers optimal patient benefit. LCT is the world leader in xenotransplantation, offering hope for the many people suffering from Type 1 diabetes."

LCT is the first company globally to successfully advance through clinical trials using therapeutic porcine cell implants. The company's lead product, 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. Tiny DIABECCELL microspheres containing live islet cells are implanted into a patient's abdomen using a simple laparoscopic procedure. Once implanted, DIABECCELL works by self-regulating and efficiently secreting insulin in response to the patient's changing glucose levels. DIABECCELL islets are protected from the body's immune response by LCT's breakthrough proprietary encapsulation technology, so DIABECCELL patients do not require any immunosuppression.

– Ends –

For further information: www.lctglobal.com

<p>At the Company: Ms Susanne Clay Chief Business Officer, Living Cell Technologies Ltd. Tel: +64 9 270 7954 Mobile: +64 21 418 833 sclay@lctglobal.com</p> <p>At Cure Kids: Ms Vicki Lee Chief Executive Officer Tel: +64 (0)9 370 0280 v.lee@curekids.org.nz</p> <p>At The Children with Diabetes Foundation: Ms Sonia Chritton President Tel: + 001 303 475 4312 info@cwdfoundation.org</p>	<p>Media and investor enquiries: NZ and Australia: Buchan Consulting Rebecca Wilson Tel: +61 3 9866 4722 Mobile: +61 417 382 391 rwilson@bcg.com.au</p> <p>Erik Denison Buchan Consulting Tel: +61 2 9237 28700 edenison@bcg.com.au</p>
---	---

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 DIABECCELL, 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.

About Cure Kids – www.curekids.org

Cure Kids (previously Child Health Research Foundation) was founded by Rotary in New Zealand and established over 30 years ago to address the lack of research into the life-threatening childhood diseases and conditions affecting New Zealand children and their families. Since then, Cure Kids has invested over \$25 million in medical research. This research has helped save thousands of young lives and has improved the quality of life for thousands more children.

About The Children With Diabetes Foundation – www.cwdfoundation.org

The Children With Diabetes Foundation was founded by a group of parents of children with diabetes, who want a cure for diabetes. The executive board consists of all parents of children with diabetes. CWD is 100% volunteer run, so all money donated goes directly to research. The CWD team has a vast background in research, science and diabetes, and is committed to finding a cure for diabetes. The mission of the Children with Diabetes Foundation is to fund human clinical trials leading to cure and prevention of Type 1 diabetes. "We are the venture capitalists of diabetes research, getting new, clinically relevant, innovative research off the ground."

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.