



Living Cell Technologies Limited

CAN: 104 028 042
ASX: LCT
OTCQX: LVCLY

ASX ANNOUNCEMENT

LCT restructures

1 April 2014 – Sydney, Australia & Auckland, New Zealand – Living Cell Technologies Limited (LCT) today announced the completion of a strategic restructure of its business. The new organisation strengthens the capability of LCT's 50% owned joint venture company Diatranz Otsuka Limited (DOL) and enables LCT to focus on development of new clinical products from its existing technology and intellectual property portfolio.

LCT will continue its research and development activities with 12 staff, responsible for the Phase I clinical trials of NTCELL[®] as a potential treatment for Parkinson's disease as well as progressing additional projects from a pre-clinical stage into clinical trials.

55 staff essential for the successful commercialisation of DIABECELL[®] will transfer into Diatranz Otsuka Limited (DOL). This includes pre-clinical and clinical development, manufacturing, pig husbandry, quality assurance and administrative functions.

Incorporated and operating in New Zealand, DOL is the 50:50 joint-venture established in 2011 by LCT and OPF. DOL owns the rights to and is responsible for the manufacture, clinical development and commercialisation of DIABECELL, a cell therapy for the treatment of type 1 diabetes. Until now, LCT NZ has provided the staff and functions for DIABECELL development to DOL on a fee-for-service basis.

As a result of these changes LCT's consolidated annual revenue will reduce but this will be offset by corresponding reductions in consolidated annual expenses. LCT's assets and equity, including its 50 percent ownership of DOL are unchanged.

LCT's Chairman, Roy Austin says that the restructure is a natural evolution for LCT and DOL.

"It is not LCT's long term vision to be a services business. Our research and development activities are crucial to developing the next generation of clinical products that will create value for our shareholders," says Mr Austin.

"Additionally, as DIABECELL moves closer to market, it is important that DOL controls its essential functions within its own corporate structure rather than by contracting services from LCT."

Dr Andrea Grant is appointed as Chief Executive Officer of DOL and consequently steps down as Managing Director of LCT and resigns her position on the LCT Board with immediate effect. Dr Ken Taylor, appointed earlier in the year as NTCELL Program Director, will assume the role of Acting-CEO until a further appointment is announced.

– Ends –

For further information: www.lctglobal.com

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About Living Cell Technologies

Living Cell Technologies (LCT) is an Australasian biotechnology company and world leader in developing cell therapies to treat diseases with high unmet clinical need. To date, the company has taken two therapeutic candidates into clinical development: DIABECELL, for the treatment of Type 1 diabetes and NTCELL, which is in Phase I/IIa clinical trials in New Zealand for the treatment of Parkinson's disease.

Through an innovative joint venture, Diatranz Otsuka Limited (DOL) with international pharmaceutical company Otsuka Pharmaceutical Factory (OPF), LCT has secured funding, based on the achievement of clinical milestones, for the clinical development of DIABECELL and the Phase I/IIa clinical trials of NTCELL in Parkinson's disease. LCT retains a 50% share of future profits from DIABECELL and NTCELL and a perpetual, exclusive licence to continue to develop products using intellectual property held outside the DOL partnership.

LCT's unique, proprietary technology, IMMUPEL™, allows cell therapies to be used without the need for co-treatment with drugs that suppress the immune system, which often have negative side-effects.

LCT is listed on the Australian (ASX: LCT) and US (OTCQX: LVCLY) stock exchanges. The company is incorporated in Australia, with its research and development, operations and manufacturing facilities based in New Zealand.

For more information visit www.lctglobal.com or follow @lctglobal on Twitter

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.