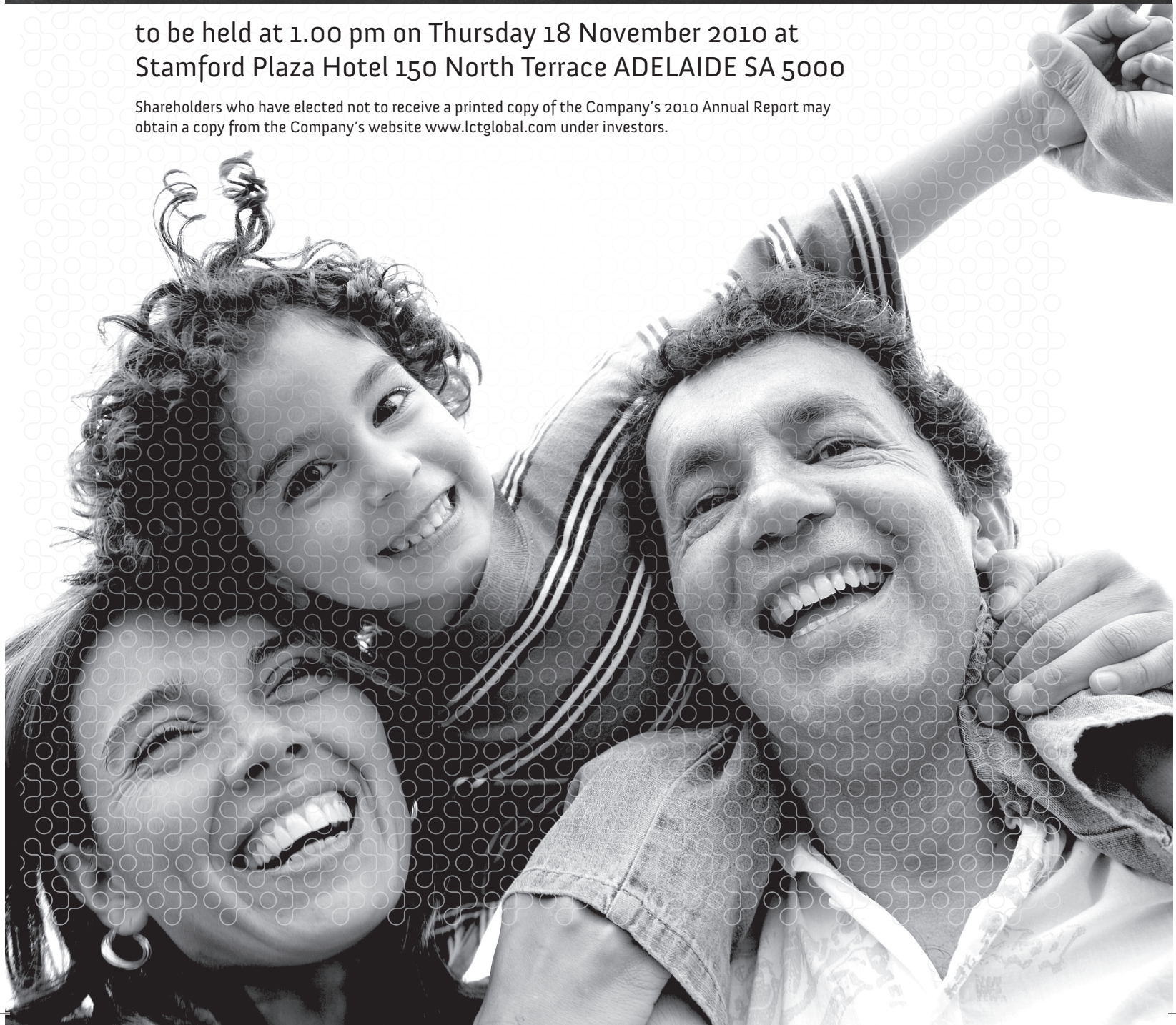


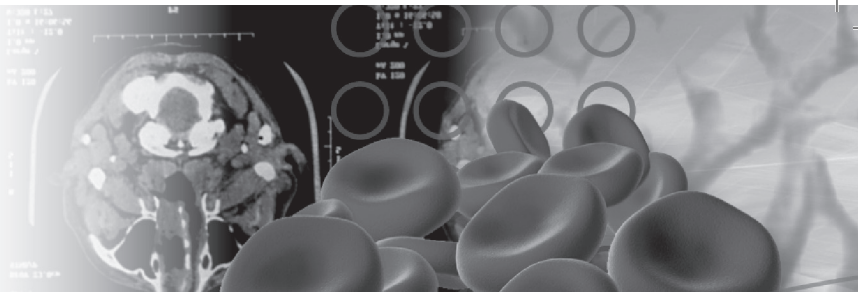
## Living Cell Technologies Limited

# NOTICE OF ANNUAL GENERAL MEETING

to be held at 1.00 pm on Thursday 18 November 2010 at  
Stamford Plaza Hotel 150 North Terrace ADELAIDE SA 5000

Shareholders who have elected not to receive a printed copy of the Company's 2010 Annual Report may obtain a copy from the Company's website [www.lctglobal.com](http://www.lctglobal.com) under investors.





# Living Cell Technologies Limited

ACN 104 028 042

Notice is hereby given that the Annual General Meeting (“the Meeting”) of Living Cell Technologies Limited (“the Company”) will be held at 1.00 pm on Thursday 18 November 2010 at Stamford Plaza Hotel, 150 North Terrace, Adelaide, SA 5000.

## ORDINARY BUSINESS

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### CONSIDERATION OF FINANCIAL REPORT

To consider the Financial Report and the reports of the Directors and Auditors for the year ended 30 June 2010.

Neither the Corporations Act 2001 nor the Company’s Constitution requires a vote of shareholders on the reports or statements. However, shareholders will be given the opportunity to ask questions or make comments on the reports and statements at the meeting.

### REMUNERATION REPORT

#### **Resolution 1 Remuneration Report (non binding)**

To consider and put to a non-binding vote, the following resolution:

“That the Remuneration Report required by section 300A of the Corporations Act, as contained in the Directors’ Report of the Company, for the year ended 30 June 2010 be adopted, details of which are set out in the explanatory notes to resolution 1 in the notice of meeting.”

### RESOLUTION OF DIRECTORS AND OTHER RESOLUTIONS

#### **Resolution 2 Re-election of Dr David Brookes**

To consider and if thought fit, pass the following ordinary resolution:

“That Dr David Brookes retires by rotation in accordance with Clause 6.1 of the Company’s Constitution and being eligible, offers himself for re-election, be re-elected as a Director of the Company, detail of which are set out in the explanatory notes to resolution 2 in the notice of meeting.”

#### **Resolution 3 Re-election of Mr Simon O’Loughlin**

To consider and if thought fit, pass the following ordinary resolution:

“That Mr Simon O’Loughlin retires by rotation in accordance with Clause 6.1 of the Company’s Constitution and being eligible, offers himself for re-election, be re-elected as a Director of the Company, detail of which are set out in the explanatory notes to resolution 3 in the notice of meeting.”



**Resolution 4 Ratification of Issue of Ordinary Shares Pursuant to ASX Listing Rule 7.4**

To consider and if thought fit, pass the following ordinary resolution:

“That, in accordance with ASX Listing Rule 7.4, the Company ratifies and approves for the purposes of ASX Listing Rule 7.1, the issue of 9,523,810 shares, details of which are set out in the explanatory notes to resolution 4 in the notice of meeting.”

**Resolution 5 Approval to exempt from Listing Rule 7.1 Options issued under the Employee Share Option Plan in accordance with Exception 9 of Listing Rule 7.2**

To consider and if thought fit, pass the following ordinary resolution:

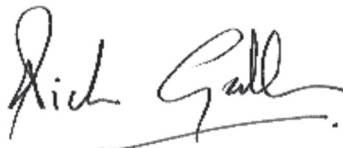
“That, for the purposes of ASX Listing Rule 7.2, the Company approves, as an exception to the 15% limit in Listing Rule 7.1, the issue from time to time of options to subscribe for ordinary shares in the Company to employees under the Employee Share Option Plan during the three year period commencing from 18 November 2010, details of which are set out in the explanatory notes to resolution 5 in the notice of meeting.”

**Resolution 6 Approval of Issue of options to Dr Ross Macdonald in accordance with Listing Rule 10.11**

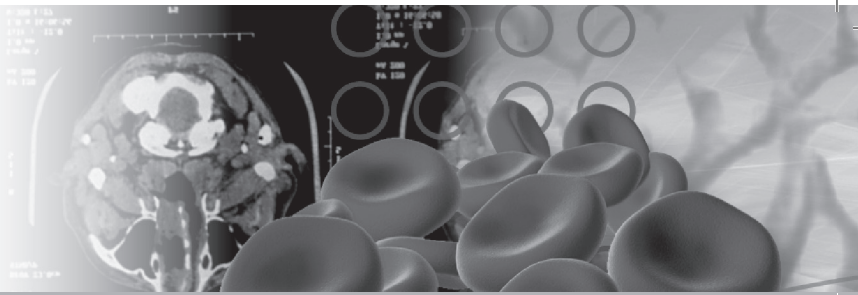
To consider, and if thought fit, pass the following ordinary resolution:

“That approval be given pursuant to ASX Listing Rule 10.11 for the issue of 500,000 unlisted options over ordinary shares at a nil issue price to Dr Ross Macdonald, details of which are set out in the explanatory notes to resolution 6 in the notice of meeting.”

**BY ORDER OF THE BOARD**



**N J V Geddes**  
Company Secretary



# Living Cell Technologies Limited

ACN 104 028 042

## VOTING EXCLUSIONS

In accordance with Australian Securities Exchange Listing Rule 7.3.8, the Company makes the following statement:

**The Company will disregard any votes cast on:**

**Resolution 4:**

Clients of Taylor Collison and any of their associates (within the meaning of the Corporations Act 2001).

**Resolution 5:**

A director of the Company and any associates (within the meaning of the Corporations Act 2001).

**Resolution 6:**

Dr Ross Macdonald and any of his associates (within the meaning of the Corporations Act 2001).

**However, the entity need not disregard a vote if:**

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## EXPLANATORY NOTES

This Explanatory Memorandum has been prepared for the shareholders of Living Cell Technologies Limited to provide information about the items of business to be considered at the Annual General Meeting of shareholders to be held on Thursday 18 November 2010.

All of the resolutions to be voted on are ordinary resolutions. An ordinary resolution requires a simple majority of votes cast by shareholders entitled to vote on the resolution in order for it to be carried.

If appropriate, and if time permits, the Chairman will discuss key issues raised by shareholders prior to the meeting and will invite questions and comments from shareholders on these key issues and any other matters that shareholders would like to raise at the meeting.

Shareholders will also be able to ask questions of PKF, Living Cell Technologies Limited's external auditor.

In addition, a reasonable opportunity will be given to members present at the meeting to ask the Company's auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor.

If you have an issue or question that you would like discussed at the meeting, or would like to submit a written question to PKF before the meeting, please send your issue or question to the Company Secretary [ngeddes@austcosec.com.au](mailto:ngeddes@austcosec.com.au).

**Resolution 1 - Adoption of the Remuneration Report**

Consistent with section 250R of the Corporations Act, the Company submits to shareholders for consideration and adoption, by way of a non-binding resolution, its Remuneration Report for the year ended 30 June 2010.

The Remuneration Report is a distinct section of the annual Director's Report which deals with the remuneration of Directors and executives (which includes senior management) of the Company. The Remuneration Report can be located in the Company's Annual Report on pages 28 to 37.

**Resolution 2 - Re-election of Dr David Brookes**

Pursuant to the Constitution Dr David Brookes will retire by rotation and seeks re-election.

Dr Brookes has a Bachelor of Medicine and Bachelor of Surgery from Adelaide University and is a Fellow of the Australian College of Rural and Remote Medicine. He currently works as a general medical practitioner and has extensive experience in rural Australia, especially in paediatric and procedural practice. His involvement in the biotechnology sector started in the late 1990's as an analyst. He is currently an independent director of Atcor Medical Holdings Ltd, listed on the ASX. Dr Brookes was elected Chairman of LCT on 23 September 2009 and has been an independent director of LCT since August 2007.

The Board supports the re-election of Dr Brookes.

### **Resolution 3 - Re-election of Mr Simon O'Loughlin**

Pursuant to the Constitution Mr Simon O'Loughlin will retire by rotation and seeks re-election.

Mr O'Loughlin is a legal practitioner with over 25 years experience as a corporate and commercial solicitor. He has had extensive involvement in the corporate world, especially in relation to the formation, structuring and listing of small to medium sized companies. Mr O'Loughlin is Chairman of Bondi Mining Ltd, Kagera Nickel Ltd and Avenue Resources Ltd, as well as a director of Aura Energy Ltd, Petrathem Ltd, Chesser Resources Ltd, WCP Resources Ltd, Probiomics Ltd and Strzelecki Metals Ltd. Mr O'Loughlin's knowledge of Australian Corporate Law and ASX listing rules is critical for his role on the board and its committees. He was appointed to the board on 12 May 2004.

The Board supports the re-election of Mr O'Loughlin.

### **Resolution 4 - Ratification of Issue of Ordinary Shares Pursuant to ASX Listing Rule 7.4**

On 12 July 2010 as a result of the underwriting of unlisted options, the Company issued 9,523,810 ordinary shares to Clients of Taylor Collison at \$0.21 per share. The issued securities rank equally in all respects with the shares already on issue.

The funds raised from this issue of shares were employed as working capital by the Company.

Please note that the following explanation as to the laws and purpose of this resolution.

*ASX Listing Rule 7.1 imposes a cap on the number of shares that a company may issue within a 12 month period without Shareholder approval. The cap is 15% of the Company's capital at the beginning of the 12 month period. ASX Listing Rule 7.4 provides that an issue of equity securities made without Shareholder approval under Listing Rule 7.1 is treated as having been made with Shareholder approval for the purposes of Listing Rule 7.1 if the holders of ordinary securities subsequently approve it, and the issue did not breach Listing Rule 7.1. The issue of the aforementioned shares did not breach any Listing Rules.*

*In order to restore the Company's 15% placement capacity, it is proposed that the Members ratify the aforementioned issue of ordinary shares. Ratification provides the Company with flexibility in capital management and allows the Company to make further acquisitions if the opportunities arise.*

### **Resolution 5 - Approval to exempt from Listing Rule 7.1 Options issued under the Employee Share Option Plan in accordance with Exception 9 of Listing Rule 7.2**

Australian Securities Exchange ('ASX') Listing Rule 7.1 prohibits a listed company from issuing or agreeing to issue new securities representing more than 15% of its total ordinary shares during the following 12 month period without shareholder approval.

Exception 9, Listing Rule 7.2, provides that shares or options issued under an employee incentive scheme (e.g. the Employee Share Option Plan) are excluded from this restriction provided that, within three years before the date of issue, the scheme, and specifically issues of securities under it, has been approved by shareholders in general meeting.

The Company seeks to have options issued under the current Employee Share Option plan excluded from the 15% limit.

This exception allows the Board flexibility to issue further ordinary shares (or options) up to the full 15% limit and without regard to shares (or options) issued under a properly exempted plan, but remains subject to other exceptions to the limit, such as bonus or rights issues.

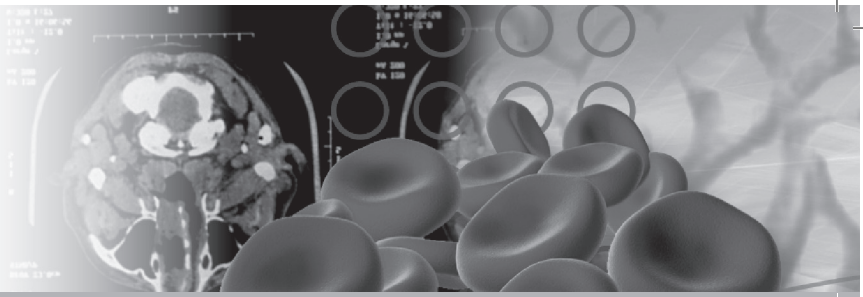
Provided that the Company's shareholders approve the potential issue of shares and options under the Employee Share Option Plan for three years after the 2010 annual general meeting, those securities will be outside the 15% restriction contained in Rule 7.1.

Shareholder approval to Resolution 5 will simply give the Board the flexibility afforded by the exception to the 15% rule available under the ASX Listing Rules. The Board can then use this flexibility and use up to 15% of the issued capital excluding options issued under the Employee Share Option Plan for future capital raising or to fund acquisitions.

A total of 30,221,413 options over ordinary shares have been issued under the Employee Share Option Plan, of which 4,121,340 options have been exercised. 16,507,810 options have lapsed at the date of the notice of AGM.

The total of ordinary shares on issue at the date of the notice of AGM is 283,790,006. The total number of options outstanding represents 6.93% of the capital on issue.

The Directors recognise the need to maintain flexibility and recommend that the shareholders approve the exception of shares issued under the ESOP from the 15% limit in Listing Rule 7.1



# Living Cell Technologies Limited

ACN 104 028 042

## A summary of the terms of the ESOP is as follows:

1. Each Option entitles the registered holder to subscribe for and be allotted one fully paid ordinary share in the capital of Living Cell Technologies Limited;
2. The Options expire at the end of the stated Exercise Period in relation to that Option;
3. The Options may not be assigned, transferred or otherwise dealt without the prior consent of the Board of Living Cell Technologies Limited;
4. The exercise price for each Option shall be the fixed amount stated in relation to that Option or, where a formula is specified, the amount calculated in accordance with that formula;
5. Living Cell Technologies Limited will make an application to the ASX for official quotation of the shares allotted and issued upon the exercise of an Option, as soon as is reasonably practicable after allotment and issue of those shares;
6. All shares issued upon exercise of the Options ("Option Shares") will rank equally with, and have the same rights and entitlements as the other Living Cell Technologies Limited shares on issue as at the date the Option Shares are allotted, other than any right or entitlement which has accrued prior to the date of the allotment of the Option Shares.
7. An Eligible Person cannot, in respect of any Option held under this Plan, participate in new issues by the Company without first exercising that Option.
8. If the Company proposes to make a pro rata issue of shares, the Company must give written notice to each Eligible Person who holds Options of the proposed issue at least 14 days before the record date for that issue.
9. If a bonus issue of shares is made to the holders of Shares (other than pursuant to any dividend reinvestment plan or bonus share plan applying from time to time), the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Eligible Person would have received under the bonus issue if the Eligible Person had exercised the Option before the record date for that bonus issue.
10. If a pro rata issue of shares (other than a bonus issue) is made to the holders of Shares, the Exercise Price of an Option must be reduced in accordance with the ASX Listing Rules.
11. If the Company's share capital is consolidated, Options held by an Eligible Person must be consolidated in the same ratio as the Shares are consolidated. The Exercise Price of each Option so consolidated must be amended inversely to the ratio in which the Shares are consolidated. In all other respects, the terms of each Option so consolidated will remain the same as each original Option.
12. If the Company's share capital is reorganised in any other way, the number of Options held by an Eligible Person or the Exercise Price of an Option, or both, must be amended in accordance with the ASX Listing Rules so that the Eligible Person does not receive a benefit which the holder of Shares does not receive.

## Resolution 6 Approval of Issue of options to Dr Ross Macdonald in accordance with Listing Rule 10.11

The Board is recommending that Members approve the grant of a total of 500,000 options over fully paid ordinary shares in the capital of the Company to Ross Macdonald, an Executive Director of the Company.

The proposed grant is in respect of 500,000 options to be granted within one month of the date of the Annual General Meeting and if approved will comprise a component of Mr Macdonald's remuneration. Remunerating Directors in this manner reduces the cash cost to the Company and aligns the reward to senior management with those to shareholders. Two tranches of 500,000 options will be granted (the second tranche will be subject to shareholder approval at the 2011 Annual General Meeting). The first tranche will be exercisable at \$0.2795, 5 cents above the volume weighted average price of the Company's shares for the last 5 days on which they traded on ASX preceding the date of the Employment Agreement; and 5 cents above the volume weighted average price of the Company's shares for the last 5 days on which they traded on ASX preceding the first anniversary of the commencement date ie 2 August 2011

As Dr Macdonald is a Director of the Company, ASX Listing Rule 10.11 requires shareholder approval for the proposed issue of the options. If shareholder approval is given under Listing Rule 10.11, shareholder approval is not required under Listing Rule 7.1.

No funds will be raised by the issue of the options to Dr Macdonald.



**The terms of the options are as follows:**

- The Company will grant Dr Macdonald 500,000 options within one month of the General Meeting (“Issue Date”) if shareholders give their approval to the grant;
- The Options will vest 12 months after the respective issue date;
- The Options may not be assigned or transferred;
- The Options expire 5 years after the vesting date;
- If Dr Macdonald retires or resigns other than for health reasons before the options vest they are forfeited.

Notwithstanding that the terms of the options provide for them to be granted within three months of the meeting, ASX Listing Rule 10.11 provides that such securities be issued no later than one month after the date of this meeting.

The Directors recognise the need to provide an incentive to directors and recommend that the Members approve the issue of these options to Dr Macdonald.

**NOTES**

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on the member’s behalf. If the member is entitled to cast two or more votes at the Meeting, the member may appoint not more than two proxies to attend and vote on the member’s behalf.
2. If a member appoints two proxies, each proxy should be appointed to represent a specified proportion or number of the member’s votes. In the absence of such a specification, each proxy will be entitled to exercise half the votes.
3. A proxy need not be a member of the Company.
4. To appoint a proxy (or two proxies), a proxy form must be signed by the member or the member’s attorney duly authorised in writing. If the member is a corporation, the proxy form must be signed either under the corporation’s common seal (if any) or under the hand of its attorney or officer duly authorised.

5. To be effective, a proxy form (and, if it is signed by an attorney, the authority under which it is signed or a certified copy of the authority) must be received by the Company not later than 48 hours prior to the Meeting. Proxy forms and authorities may be sent to the Company by post, personal delivery, fax or email to:

**Living Cell Technologies Limited**

C/- Australian Company Secretaries Pty Ltd

**Street address:** Level 9, 20 Hunter Street  
Sydney NSW 2000

**Mailing address:** GPO Box 4231  
Sydney NSW 2001

**Fax:** (02) 9235 2709

**Email:** proxy@austcosec.com.au

provided that members who forward their proxy forms by fax or email are required to make available the original executed form of the proxy for production, if called upon at the Meeting to do so.

6. A corporate shareholder entitled to attend and vote at the Meeting may appoint a body corporate representative to attend and vote for the shareholder. Also, as noted previously, a body corporate may be appointed as a proxy.

Living Cell Technologies Limited will accept the original appointment, a certified copy of the appointment or a certificate from the company giving notice of the appointment as satisfactory evidence of the appointment.

You can lodge your body corporate representative appointment document before the AGM or present the document at the registration desk at the Meeting.

7. For the purposes of the Annual General Meeting, persons on the register of members as at 1.00pm on Tuesday 16 November 2010 will be treated as members. This means that if you are not the registered holder of a relevant share at that time you will not be entitled to vote in respect of that share.

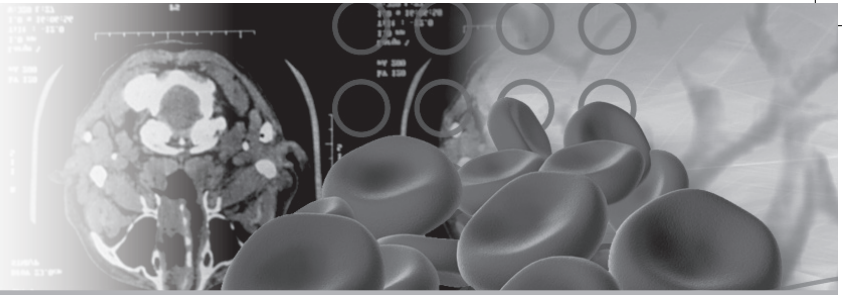
**Living Cell Technologies Limited**  
C/- Australian Company Secretaries Pty Ltd

GPO Box 4231  
Level 9, 20 Hunter Street  
SYDNEY, NSW, 2001

Telephone (02) 9252 1933  
Facsimile (02) 9235 2709







# PROXY FORM

ACN 104 028 042

I/We (PLEASE PRINT NAME) .....

Of (ADDRESS) .....

being a Member/Members of Living Cell Technologies Limited

**A Appoint** (PLEASE PRINT NAME) .....

or failing the person so named (or if no person is named) the Chairman of the Meeting [if appointing the Chairman see B below] as proxy to vote in accordance with the following directions (or if no directions have been given as the proxy or the Chairman sees fit) at the Annual General Meeting of Members of Living Cell Technologies Limited to be held on Thursday 18 November 2010 commencing at 1.00 pm and at any adjournment.

**B Exercise of Proxy by Chairman**

For undirected proxies, the Chairman intends to vote in favour of each resolution, and by appointing the Chairman as your proxy you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

If you wish to direct your proxy how to vote, please place a mark in the appropriate box in C below.

C	Business	FOR	AGAINST	ABSTAIN
	<b>Resolution 1</b> Adoption of the Remuneration Report			
	<b>Resolution 2</b> Re-election of Dr David Brookes			
	<b>Resolution 3</b> Re-election of Mr Simon O'Loughlin			
	<b>Resolution 4</b> Ratification of share issue			
	<b>Resolution 5</b> Approval to exempt from Listing Rule 7.1 Options issued under the ESOP			
	<b>Resolution 6</b> Approval of options to Dr Ross Macdonald			

**D If Appointing a Second Proxy**

State here the percentage of your voting rights %

Or

the number of shares applicable to this Form Number

**E Insert your daytime telephone number** (S T D )

**F Signature(s)**

**Date**

Signatures if Corporate Shareholder (See Note F)

Executed in accordance with section 127 of the Corporations Act

Director/Sole Director sign and print name

Director/Secretary sign and print name



# INSTRUCTIONS FOR COMPLETION OF PROXY FORM

ACN 104 028 042

Your vote is important. Please direct your proxy how to vote. For your proxy to be entitled to vote your shares at the Meeting, the Company must receive the completed Proxy Form not later than 48 hours prior to the Meeting. Any proxy received after this deadline will be treated as invalid.

## A. Appoint

Insert here the name of the person you wish to appoint as proxy. Members cannot appoint themselves. If you submit a Proxy Form, which does not name a person to act as your proxy, the Chairman of the Meeting will act as your proxy. You can vote your shares by proxy even if you plan to attend the Meeting.

## B. Exercise of Proxy by Chairman

For undirected proxies, the Chairman intends to vote in favour of each resolution, and by appointing the Chairman as your proxy you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

## C. Business

If you wish to direct your proxy how to vote on any item, place a mark in the appropriate box. If a mark is placed in a box, your total shareholding will be voted in that manner. You may, if you wish, split your voting direction by inserting the number of shares you wish to vote in the appropriate box. The vote will be invalid if a mark is made against more than one box for a particular item or if the total shareholding shown in "For", "Against" and "Abstain" boxes is more than your total shareholding on the share register.

## D. If Appointing a Second Proxy

A Member is entitled to appoint up to two persons (whether Members or not) to attend the Meeting as proxies and vote. If you wish to appoint two proxies please photocopy your Proxy Form or obtain another Proxy Form by calling the Company Secretary on (02) 9252 1933. Both Forms should be completed with the nominated percentage of your voting rights or number of shares on each Form. If you do not specify the nominated percentage of your voting rights or number of shares, each of the proxies may exercise half of the votes. Please return these Proxy Forms together.

## E. Insert your daytime telephone number.

This is required in case we need to contact you.

## F. Signature(s)/Date

This Form must be signed and dated by the member. If the member is an Australian corporation, the Form must be executed in accordance with section 127 of the Corporations Act or by an attorney. If this Form is signed by a person who is not the registered shareholder then the relevant authority must either have been exhibited previously to the Company or be enclosed with this Form.

## Further Important Information

Please return your completed Proxy Form to the Company Secretary c/- Australian Company Secretaries Pty Ltd, at Level 9, 20 Hunter Street, Sydney, NSW, 2000 (GPO Box 4231, Sydney, NSW, 2001). Alternatively, your Form can be faxed to the Company on (02) 9235 2709 or emailed to proxy@austcosec.com.au. To be effective, the Form must be received by the Company at the above address not later than 48 hours prior to the Meeting. If you require further information on how to complete the Proxy Form, telephone the Company Secretary on (02) 9252 1933.