Living Cell Technologies Limited
Company Announcement

LCT Enrols First Patients in DIABECELL® Argentina Trial

- **Enrolment of first two patients signifies the commencement of the Phase II clinical trial, ahead of schedule**
- **Pre-transplant patient monitoring initiated**
- **First DIABECELL transplants at 5,000 IEQ/kg scheduled for August 2011**

27 June 2011: Sydney, Australia & Auckland, New Zealand. Living Cell Technologies Limited (ASX: LCT; OTCQX: LVCLY) a global company pioneering the development of a cell implant to treat diabetes, has enrolled its first two patients into the Phase II DIABECELL clinical trial in Buenos Aires, Argentina.

LCT announced last month approval to enrol eight patients with Type 1 diabetes, including those with unstable diabetes and severe hypoglycaemia into the trial.

The first two patients have commenced the pre-transplant phase of the trial which will establish a stable baseline from which to compare the post-treatment data to, and determine whether the endpoints have been reached. The two patients are each scheduled to receive the first of their two implants in August at the dose of 5,000 Islet Equivalents per kg of body weight (IEQ/kg), followed three months later by their second implant at the same dose. Both patients have pre-existing severe hypoglycaemia and long term complications from their diabetes.

Dr Adrian Abalovich, MD, principal investigator of the Argentinean trial, said: “Unstable diabetes has a significant impact on the health of patients and can cause long term complications. We are very pleased to be in a position to trial DIABECELL, which will hopefully provide a new treatment option for patients in the future.”

Professor Bob Elliott, LCT’s Medical Director, added: “This is an important milestone for LCT and for people with unstable Type 1 diabetes. This is the third jurisdiction in which DIABECELL will be trialled and the results will contribute to the growing body of evidence to support the need for an alternative treatment to Type 1 diabetes.”

The Argentinean trial approval follows a positive assessment from the New Zealand Data Safety and Monitoring Board of the first twelve patients to receive DIABECELL implants in LCTs Phase II trial in New Zealand, as well as favourable two-year follow up data from its Phase I/IIa clinical trial in Russia. LCT has recently announced plans for collaborative development of DIABECELL in Asia following the strategic investments made in LCT by ASK in China and Otsuka in Japan.

DIABECELL is LCT's treatment in development 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 DIABECELL treatment do not require immunosuppression 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 its lead product DIABECELL, microencapsulated islet cells, in an effort to address the shortcomings of existing insulin therapy. 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.

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