



## Living Cell Technologies Limited Company Announcement

### World Leading Treatment for Diabetes Gathers Pace LCT Implants first Patients in Argentina Trial

- LCT's Argentina trial provides additional multi-centre validity to DIABECCELL
- Patients to receive new dosage strategy

**22<sup>nd</sup> August 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 implanted the first two patients taking part in a Phase II DIABECCELL<sup>®</sup> clinical trial in Buenos Aires, Argentina.

This is the third jurisdiction to date where LCT, the world leader in xenotransplantation (animal to human implants), has conducted clinical trials. LCT is the only company in the world in clinical trials using this technology. Up to eight adult patients with Type 1 diabetes, including those with unstable diabetes and severe hypoglycaemia, will each receive two implants of DIABECCELL, three months apart.

"The great news is that our earlier clinical trials have validated this treatment and shown it can greatly benefit patients suffering from unstable diabetes who don't have any awareness when their blood glucose levels are low which puts their life at serious risk," says LCT medical director and acting CEO Bob Elliott.

"We have a treatment that works. However, during this next stage of our clinical trial we will use fewer insulin producing cells, implanted on two occasions and also utilise a different implantation technique to determine if we can provide patients with even greater benefit. The cells were produced by an improved technique that can also be more readily upscaled."

Phase II clinical trials are typically used by physicians to determine the most effective dosage of any treatment before moving onto Phase III trials which look at the benefit of that treatment and dosage over a much larger group of patients. Earlier clinical trial results of DIABECCELL showed that lower dosages had greater benefit than larger dosages.

"We hope to see the effect of these even lower and repeated doses. We are looking for most effective combination before we enter into our final stages of commercialisation," says Elliott.

LCT will also employ a new variation of the company's patented IMMUPEL<sup>®</sup> cell encapsulation technique. The new process avoids a source of capsule imperfection that may affect function. IMMUPEL is used to encapsulate the porcine insulin producing cells to prevent rejection by the recipient.

The Argentinean trial follows a positive assessment from the New Zealand Data Safety and Monitoring Board of the first twelve patients to receive DIABECCELL implants in its 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 recently announced plans for collaborative development of DIABECCELL in Asia following the strategic investments made in LCT by ASK in China and Otsuka in Japan.

DIABECCELL is LCT's treatment designed to normalise the lives of people with insulin-dependent diabetes. DIABECCELL 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 DIABECCELL treatment do not require immunosuppression after implantation.

– Ends –

**For further information:** [www.lctglobal.com](http://www.lctglobal.com)

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**About Living Cell Technologies - [www.lctglobal.com](http://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 DIABECCELL, 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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