



Living Cell Technologies Limited Company Announcement

LCT restructures for next stage of growth

1 June 2012: Sydney, Australia & Auckland, New Zealand – Living Cell Technologies Limited (ASX: LCT; OTCQX: LVCLY) has completed a tightly focussed restructuring to position itself for commercialisation of the products in its pipeline.

As part of the restructure, the positions of Medical Director and Head of Research and Development have been consolidated into a single position of Chief Science and Medical Officer (CSMO). This will be filled in an acting capacity by Emeritus Professor Robert Elliott, formerly Medical Director. Meanwhile, the company has commenced a global search to find a successor to Professor Elliott.

Once a successor is appointed, Professor Elliott will focus on his governance role as founder and non-executive director on the LCT and Diatranz Otsuka Limited boards.

“The last two years has seen LCT take great strides towards achieving its vision of bringing cell-based therapies which treat chronic disease to market,” says CEO Dr Andrea Grant. “With multiple products now in its pipeline, LCT is emerging from the early development stage typical of an entrepreneurial biotech start up and is maturing as an organisation focussed on the discovery, development and commercialisation of therapeutic products. To make this transition we need to take a strategic approach to our people resources, especially for key roles such as the CSMO.”

Dr Olga Garkavenko, who has held the position of Head of Research and Development since June 2011, will be leaving LCT. Prior to becoming Head of R&D, Olga led the Molecular Diagnostics and Virology team at LCT and played a key role in demonstrating that the Auckland Island Pigs, which are used as a source herd for LCT’s cell therapies, are free from common pig viruses and disease.

“We are grateful for Dr Garkavenko’s contribution to the business and we wish her well in her future endeavours,” says Dr Grant.

Ends

For further information: www.lctglobal.com

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About Living Cell Technologies

Living Cell Technologies (LCT) leads the world in developing cell-based therapeutics to treat diseases with high unmet clinical need. Its proprietary cell encapsulation technology IMMUEP™ allows for cell transplantation without the need for immunosuppressant drugs.

LCT's lead therapeutic candidate DIABECCELL® is indicated for the treatment of patients with type 1 diabetes, especially those suffering from life threatening episodes of unaware hypoglycaemia (low blood sugar), a dangerous and potentially fatal diabetes complication. DIABECCELL is currently in Phase II clinical trials in both New Zealand and Argentina.

In 2011, LCT formed a partnership with Otsuka Pharmaceutical Factory Inc (OPF) in which the joint venture Diatranz Otsuka Limited (NZ) was established. Valued at A\$50m on formation, LCT vested the DIABECCELL product and associated IP into the JV, while OPF vested A\$25m to fund the final phase of development of DIABECCELL through to market approval. Both LCT and OPF are 50:50 shareholders in the current and future value generated by DIABECCELL and the associated IP.

LCT has also developed NTCELL, a choroid plexus cell product, to treat neurodegenerative diseases such as Parkinson's disease and stroke. NTCELL's trial results indicate potential for protecting, repairing and possibly regenerating brain tissue which would otherwise die.

LCT is incorporated in Australia. Research and development, operations and manufacturing facilities are based in New Zealand.

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