Living Cell Technologies Limited

Company Announcement

Living Cell Technologies Considers Australian Trials Following Lifting of Animal Cell Transplant Ban

10 December 2009: Sydney, Australia, Auckland, New Zealand – Living Cell Technologies Limited (ASX: LCT; OTCQX: LVCLY) today announced that it hopes to expand its clinical trial program into Australia, following the decision by the National Health and Medical Research Council (NHMRC) to lift the five-year moratorium on xenotransplantation in Australia.

On 10 December, the NHMRC announced that clinical trials involving animal to human transplantation (xenotransplatation) will be allowed to proceed, once regulatory and surveillance frameworks are in place.

In making its decision, the NHMRC noted the developments in science and technology since 2004, in particular evidence relating to the risks of transmission of animal viruses, and international developments and guidance on the management and regulations of xenotransplantation.

Dr Paul Tan, Chief Executive Officer LCT said, "We very much welcome the decision by the NHMRC and are pleased that their original concerns have been satisfied. This is in keeping with recent scientific data and the increasing acceptance of current international guidelines for the safe use of animal tissue to treat human disease. This decision opens up significant opportunities not only for LCT, but for the wider medical science community and people with life threatening diseases."

In November 2008, the World Health Organisation released the Changsha Communiqué which addressed the potential and importance of xenotransplantation. It also outlined the parameters for xenotransplantation research and trials. LCT is compliant with all of the guidelines and has a designated pathogen-free pig herd.

LCT is currently the only company in the world conducting xenotransplantation Phase II trials in diabetes and has previously reported early encouraging results from DIABECELL® trials in New Zealand and Russia.

"LCT is already involved in an exciting pilot project in animals in Australia, with the Bionic Ear Institute in Melbourne involving our NTCELL, and we look forward to having discussions with regulatory authorities around protocols for bringing our platform technologies and trials to Australia," Dr Tan said.

DIABECELL® is designed to normalize blood glucose levels in type 1 diabetes sufferers. DIABECELL® comprises encapsulated porcine insulin-producing cells which can be administered without the need to use immunosuppressive drugs.

NTCELL comprises encapsulated porcine choroid plexus cells and has restorative properties for neurodegenerative processes, such as deafness, Parkinson's disease and dementia.

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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 transplants microencapsulated islet cells so that near-normal blood glucose levels may be achieved without the need for administration of insulin or at significantly reduced levels. 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 that deliver beneficial proteins and neurotrophic factors to the brain. LCT's technology 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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