



**Living Cell Technologies Limited  
NOTICE OF ANNUAL GENERAL MEETING**

to be held at 1.00 pm on  
Thursday 6 November 2008 at  
Stamford Plaza Hotel, Clare Room,  
150 North Terrace, Adelaide SA

Registered Office:  
C/- Australian Company Secretaries Pty Ltd  
GPO Box 4231  
Level 5  
255 George Street  
SYDNEY NSW 2001

Telephone (02) 9252 1933  
Facsimile (02) 9252 0188

# Living Cell Technologies Limited

ABN 14 104 028 042

Notice is hereby given that the Annual General Meeting ("the Meeting") of Living Cell Technologies Limited ("the Company") will be held at Stamford Plaza Hotel, Clare Room, 150 North Terrace, Adelaide SA on Thursday 6 November 2008 at 1.00 pm.

## **ORDINARY BUSINESS**

### **Consideration of Financial Report**

To consider the Financial Report and the reports of the Directors and Auditors for the year ended 30 June 2008.

*No resolution is required to be considered by the Members under the Corporations Act or the Company's Constitution.*

### **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 Director's Report of the Company, for the year ended 30 June 2008 be adopted details of which are set out in the explanatory notes to resolution 1 in the notice of meeting."

### **Re-election of Directors and other resolutions**

#### **Resolution 2      Re-election of Mr David Collinson**

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

"That Mr David Collinson retires by rotation in accordance with Clause 6.1 of the Company's Constitution and being eligible, offers himself for re-election, details 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, details of which are set out in the explanatory notes to resolution 3 in the notice of meeting".

#### **Resolution 4:      Approval of issue of options to Dr Robert Caspari in accordance with Listing Rule 10.11**

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

"That approval be given pursuant to ASX Listing Rule 10.11 for the issue of 1,400,000 unlisted options over ordinary shares at a nil issue price. The exercise prices of these options to be as follows: in respect of 650,000 of the proposed options an exercise price of \$0.30 per share and in respect of 750,000 options an exercise price of \$0.40 per share to Dr Robert Caspari, details of which are set out in the explanatory notes to resolution 4 in the Notice of Meeting."

## **BY ORDER OF THE BOARD**

N J V Geddes  
Company Secretary

## VOTING EXCLUSIONS

### Resolution 4

The company will disregard any votes cast on Resolution 4 by:

- Dr Robert Caspari or 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

### 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 2008. At the meeting there will be a reasonable opportunity for discussion of the report.

The Remuneration Report is a distinct section of the annual Directors' Report which deals with the remuneration of Directors and executives (which include senior managers) of the Company. The Remuneration Report can be located in the Company's Annual Report on pages 9 to 13.

### Resolution 2 – Mr David Collinson (Executive Director)

Pursuant to the Constitution Mr Collinson is standing for re-election as a Director.

Details of Mr Collinson's background and experience are set out in the Annual Report.

The Board supports the re-election of Mr Collinson.

### Resolution 3 – Mr Simon O'Loughlin (Non-Executive Director)

Pursuant to the Constitution Mr O'Loughlin is standing for re-election as a Director.

Details of Mr O'Loughlin's background and experience are set out in the Annual Report.

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

### Resolution 4 – Approval of Issue of Options to Dr Robert Caspari in accordance with Listing Rule 10.11

The Board is recommending that Members approve the grant of a total of 1,400,000 options over fully paid ordinary shares in the capital of the Company to Dr Robert Caspari, who was appointed an Independent Director of the Company on 7<sup>th</sup> January 2008. Subsequently Dr Caspari was appointed CEO, on 29<sup>th</sup> July 2008 and remains a Director.

As Dr Caspari 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.

If approved, these options will comprise a component of Dr Caspari'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.

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This proposed grant comprises two elements: 400,000 options that were agreed to be granted, subject to shareholder approval, to Dr Caspari upon his appointment as a non-executive Director (the First Proposed Grant), and 1,000,000 additional options that were agreed to be granted, subject to shareholder approval, when Dr Caspari accepted the role of Chief Executive Officer (the Second Proposed Grant).

The First Proposed Grant is in respect of 400,000 options on similar terms to the options granted to other non-executive directors and are exercisable as to 150,000 @ 30 cents and 250,000 @ \$0.40.

The Second Proposed Grant is in respect of 1,000,000 options. 500,000 options are exercisable at an exercise price of \$0.30 per share and 500,000 options are exercisable at an exercise price of \$0.40 per share.

The terms of the both Option Grants are as follows:

- The Company will grant Dr Caspari 1,400,000 options within one month of the Annual General Meeting if shareholders give their approval to the grant, pursuant to ASX Listing Rule 10.11;
- The Options will be issued for nil consideration;
- The First Proposed Grant of Options (400,000) will vest on 7<sup>th</sup> January 2009 (12 months from the date Dr Caspari was appointed to the Board);
- The Second Proposed Grant of Options (1,000,000) will vest as to 50% (exercisable at \$0.30 each) on 29<sup>h</sup> July 2009 (first anniversary of Dr Caspari's appointment as CEO). The remaining 50% (exercisable at \$0.40 each) will vest on 29<sup>th</sup> July 2010, the second anniversary of Dr Caspari's appointment.
- Each Option, on exercise, gives Dr Caspari the right to be issued one fully paid ordinary share in the Company;
- The Options may not be assigned or transferred;
- The First and Second Proposed Grants of Options will expire after 5 years from the date of issue.
- If Dr Caspari retires or resigns other than for health reason before the options vest they are forfeited, save that in respect of the Second Proposed Grant options, in the event that Dr Caspari ceases employment for any reason except where a change of control of the business takes place, vesting of the options will cease at that time. In the event of a change of control, all options shall vest immediately.

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

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

## 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.

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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 or fax:

Living Cell Technologies Limited  
C/- Australian Company Secretaries Pty Ltd  
**Street address:** Level 5, 255 George Street  
Sydney NSW 2000  
**Mailing address:** GPO Box 4231  
Sydney NSW 2001

Fax: (02) 9252 0188

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

6. For the purposes of the Annual General Meeting, persons on the register of members as at 5.00 pm on Tuesday 4 November 2008 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.

# PROXY FORM

## Living Cell Technologies Limited

ABN 14 104 028 042

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** 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 6 November 2008 commencing at 1.00 pm and at any adjournment.

<b>B Business</b>	For	Against	Abstain
Resolution 1 – Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Mr David Collinson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Mr Simon O’Loughlin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Approval of issue of options to Dr Caspari	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**C If Appointing a Second Proxy**

State here the percentage of your voting rights

or

the number of shares applicable to this Form

%

Or

**Number**

**D Insert your daytime telephone number**

(S T D )

**E Signature(s)**

**Date**

Signatures if Corporate Shareholder (See Note EF)

Executed in accordance with section 127 of the Corporations Act

Director/Sole Director sign and print name

Director/Secretary sign and print name

**Note: For your proxy to be entitled to vote your shares at the Meeting, the completed Proxy Form must be received by the Company not later than 48 hours prior to the Meeting.**

# INSTRUCTION FOR COMPLETION OF PROXY FORM

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 completed Proxy Form must be received by the Company 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. 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.

## **C. 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.

## **D. Insert your daytime telephone number**

This is required in case we need to contact you.

## **E. Signature(s)**

This Form must be signed 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 5, 255 George Street, Sydney, NSW, 2000 (GPO Box 4231, Sydney, NSW, 2001). Alternatively, your Form can be faxed to the Company on (02) 9252 0188. **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.