



Living Cell Technologies

COMPANY ANNOUNCEMENT

LCT Informed of Progress for Decision on Diabetes Clinical Trial in New Zealand

June 26, 2008 – Melbourne, Australia and Auckland, New Zealand - Living Cell Technologies Limited (ASX:LCT; OTCQX: LVCLY) today announced that it has received a letter from the New Zealand Minister of Health, the Honorable David Cunliffe, indicating that he has sought independent advice from the National Health Committee (NHC) by 8 August 2008, on LCT's application to conduct a Phase I/IIa clinical trial with DiabeCell® in New Zealand.

The NHC is a Ministerial advisory committee that the Minister can seek advice from to complete the statutory requirements of his decision making process on the authorization of LCT's application. Prior to this stage, LCT had obtained and submitted to the Minister approvals from the Regional Ethics Committee, the Gene Technology Advisory Committee, International Accreditation New Zealand and Medsafe, the regulatory body that approved the manufacture for human use of encapsulated porcine cells (DiabeCell®) under Good Manufacturing Practice standards.

DiabeCell® is the Company's encapsulated porcine insulin-producing cells currently in development for the treatment of insulin dependent type 1 diabetes without the use of immunosuppressive drugs.

Dr Paul Tan, LCT Chief Executive Officer, said, "LCT is pleased with the stated time frame and is committed to assisting the Minister and the NHC with any further information that may be required to ensure that the deadline is met. LCT sees this as a step forwards for its efforts to include New Zealand in the Company's international clinical trials programme".

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About Living Cell Technologies: www.lctglobal.com

Living Cell 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 Huntington's disease and other neurological disorders, the company transplants microencapsulated choroid plexus cells that deliver beneficial proteins and neurotrophic factors to the brain. Living Cell'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. Living Cell also offers medical-grade porcine-derived products for the repair and replacement of damaged tissues, as well as for research and other purposes.

LCT Disclaimer

This document contains certain forward-looking statements, relating to LCT's business, which can be identified by the use of forward-looking terminology such as "promising," "plans," "anticipated," "will," "project," "believe," "forecast," "expected," "estimated," "targeting," "aiming," "set to," "potential," "seeking to," "goal," "could provide," "intends," "is being developed," "could be," "on track," or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA's and other health authorities' requirements regarding any one or more product candidates nor can there be any assurance that such product candidates will be approved by any health authorities for sale in any market or that they will reach any particular level of sales. In particular, management's expectations regarding the approval and commercialization of the product candidates could be affected by, among other things, unexpected clinical trial results, including additional analysis of existing clinical data, and new clinical data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. LCT is providing this information as of June 26th, 2008, and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.