



Living Cell Technologies Limited

ACN: 104 028 042

ASX: LCT

OTCQB: LVCLY

ASX ANNOUNCEMENT

Appendix 4C Quarterly Activities report for the quarter ended 30 June 2022

June Quarter Highlights

- **NTCELL enters new phase of development, with move to apply benefits of artificial intelligence (AI) to enhance quality of third clinical trial in Parkinson's disease**
- **LCT completes strategic A\$1.285 million placement to professional and sophisticated investors, strengthening funding for key research**
- **LCT ends the quarter in a solid cash position, with bank balance of A\$4.2 million.**

Sydney, Australia & Auckland, New Zealand - 29 July 2022 – Living Cell Technologies (ASX: LCT; OTCQB:LVCLY) announced today its Activity and Cashflow (Appendix 4C) Report for the quarter ended 30 June 2022, highlighted by the move to apply the benefits of artificial intelligence towards the Company's third clinical trial of NTCELL in Parkinson's disease. (Appendix 4C follows).

NTCELL

The third clinical trial of NTCELL in Parkinson's disease made further advances during the quarter as the Company progresses this potentially groundbreaking research.

LCT has entered a new phase in its research, with the announcement on 23 May 2022 that the Company would be applying the benefits of AI to ensure the NTCELL product being manufactured is of the highest possible quality.

Specifically, the Company will evaluate strategies to ensure the pig choroid plexus clusters selected for encapsulation are of optimal quality. It is expected that AI will be used to optimise and select NTCELL for implantation into the brains of people with Parkinson's disease, as a potential treatment for the disease.

To facilitate this research, the Company signed an agreement with Sydney-based start-up OptiCellAI Pty Ltd, which is led by award-winning engineer Michael Urch (CEO) and clinical embryologist Tamara Treleaven.

Under the Agreement with OptCellAI, the cost of this engineering, software and biological input into the use of AI in the manufacture of NTCELL is estimated at a maximum of A\$360,000 based on a number of milestones. The process is expected to conclude by May 2023.

The research is expected to result in the development of two prototype machines, together with trained AI for NTCELL optimisation and selection requirements and a final production machine.

The first trial participants are expected to receive treatment in 2024.

More than 10 million people worldwide are living with Parkinson's disease, including around 100,000 Australians, with the disease costing the Australian community an estimated \$10 billion per year. Globally, the Parkinson's disease market is projected to reach US\$11.5 billion by 2029, up from US\$5.7 billion in 2022. There is currently no treatment available to prevent the progression of the disease.

Corporate

LCT completed a successful strategic placement to professional and sophisticated investors of Alignment Capital, a boutique corporate advisory firm with a track record of investing in successful emerging biotechnology companies.

The placement comprised the issue of 257,000,000 new fully paid ordinary shares in the Company at an issue price of \$0.005 per New Share, raising A\$1.285 million. The funding will support LCT's groundbreaking research to combat Parkinson's disease (refer ASX release 31 May 2022).

LCT also further enhanced its engagement with investors, with the Company presenting at the Gold Coast Investment Showcase conference (22-23 June). The presentation by COO, Dr Belinda Di Bartolo is available on the Company's website and social media pages.

In addition, a new edition of the Company's newsletter, "Living Insights" was released on 2 May 2022, including a profile of Dr Di Bartolo and a Q&A with NZeno CEO, Dr Paul Tan. A copy is available on the Company website.

The Company also held a (virtual) General Meeting of shareholders on 28 April 2022, with all resolutions passed on a poll. Further details regarding the meeting are available on the Company website.

Financial update

The Company ended the June quarter with a cash balance of \$4,238,857 compared to \$3,551,385 at the end of the previous quarter. Net operating cash flow in the quarter was (\$504,358), compared to the previous quarter's (\$813,077). Receipts from grants and tax incentives were \$35,719 compared to the previous quarter's zero.

This quarter's operating payments were \$541,166 compared to the last quarter at \$813,196. Payments during the quarter included payments to NZENO for the maintenance of the pig herd of NZ\$20,833 and the maintenance of the facility of NZ\$117,476, also a payment to OptiCellAI of \$ 30,000 to initiate the AI project, and payment to UTS of \$19,500, and payment to Australian Foundation for Diabetes Research \$24,506.

Note that the amount stated in 6.1 of Appendix 4C is for the directors' fees paid to directors and their associated entities.

Authorised for release by the Board of Living Cell Technologies Limited.

– Ends –

For further information: www.lctglobal.com

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About NTCELL

NTCELL is an alginate coated capsule containing clusters of neonatal porcine choroid plexus cells that are sourced from a unique herd of designated pathogen-free pigs bred from stock originally discovered in the remote sub-Antarctic Auckland Islands. Choroid plexus cells are naturally occurring 'support' cells for the brain and secrete cerebrospinal fluid (CSF), which contains a range of factors that support nerve cell functions and protective enzymes that are crucial for nerve growth and healthy functioning. In NTCELL, the porcine choroid plexus cells are coated with alginate to protect them from attack by the immune system. Therefore, no immunosuppressive regimen needs to be administered to recipients.

About Living Cell Technologies

Living Cell Technologies Limited (ASX:LCT) is an Australasian biotechnology company that is focused on discovering and developing novel treatments for debilitating conditions such as diabetes and Parkinson's disease.

LCT is listed on the Australian (ASX:LCT) and US (OTCQB:LVCLY) stock exchanges. The Company is incorporated in Australia, with its operations based in Australia and New Zealand.

For more information, visit www.lctglobal.com or follow @lctglobal on Twitter, Facebook or LinkedIn.

Forward-looking statements

This document may contain certain forward-looking statements, relating to LCT's business, which can be identified by the use of forward-looking terminology such as "promising," "probable", "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 commercialisation 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 materialise, 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 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.