



## Living Cell Technologies Limited

**ACN:** 104 028 042  
**ASX:** LCT  
**OTCQX:** LVCLY

### ASX ANNOUNCEMENT

## LCT Secures Funding for Third Trial of NTCELL in Parkinson's Disease

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**Sydney, Australia & Auckland, New Zealand, 19 October 2021** – LCT has secured funding which will immediately enable the company to commence its plans for a third clinical trial of NTCELL® in Parkinson's disease.

### Third Clinical Trial

The third trial aims to determine if NTCELL provides neuroprotection to halt or delay the natural progression of Parkinson's disease.

LCT has a funding strategy in place to fully execute the trial. Now that initial funds have been secured, work has commenced to finalise arrangements for the trial with the first patient expected to be implanted in 2024. Recipients will be monitored over three years.

Earlier clinical trials demonstrated safety and some efficacy of NTCELL in patients with mid- and late-stage Parkinson's disease. Regulators advised that a further trial with a larger cohort of patients would be required to secure registration of NTCELL as a treatment for Parkinson's disease.

LCT plans to source the necessary choroid plexus cells from pathogen-free pigs in New Zealand and encapsulate them in New Zealand and Australia. The clinical trial will take place in Sydney, Australia.

Professor Bernie Tuch, Interim CEO of LCT, says that the capital raised will finally enable the company to follow the regulator's advice and conduct a more extensive test of NTCELL's efficacy.

"Around 7 million people worldwide have Parkinson's disease. Current treatments address the symptoms of the disease but not its progression. In this third clinical trial we hope to show NTCELL affects the rate of disease progression in patients with early to mid-stage Parkinson's disease."

Because this will likely be the first xenotransplantation trial conducted in Australia, LCT will need to secure approval from the Therapeutic Goods Administration, in addition to a relevant Human Research Ethics Committee.

### Capital Raise

Over the weekend LCT, via 180 Markets Pty Ltd, completed a placement to sophisticated investors of 142.4 million new shares and 269.4 million mandatorily converting notes that will, subject to shareholder approval, convert into 269.4 million new shares.

The issues were at \$0.0085 for each new share and each note, raising \$3.5 million in total.

Subject to shareholder approval, investors will receive one option over one ordinary share for every three new shares, such options to be exercisable within 30 months at \$0.015 each.

In lieu of interest on the notes, noteholders will receive one additional option for each two notes held, subject to shareholder approval. The Notes terms are set out in Annexure A.

Of the 142.4 million new shares issued under the placement, 57,204,098 were issued under ASX Listing Rule 7.1A.

The company intends to undertake a further 2:3 renounceable rights issue of new shares and options to eligible shareholders on the record date, on the same terms as the placement of new shares and options to raise up to \$4m in additional funds.

The record date for the rights issue is expected to be on or about 10 November 2021 and offers will be dispatched to shareholders on or about 15 November 2021. This timetable is subject to ASX approval and may vary as the Board determines. 180 Markets Pty Ltd has agreed to place any shortfall from the rights issue on a best endeavours basis.

180 Markets Pty Ltd will be paid a cash fee of 6 percent on the total amounts and (subject to capacity under ASX Listing Rules) 7 million options (on the same terms as the placement options) for each \$1 million raised from the placement that has just been completed, and from the placement of shortfall new shares under the rights issue.

### **Other Projects**

LCT continues to explore other research and development projects in the biomedical field and has been engaged with several parties in this regard.

This includes current discussions with a party developing technology to use artificial intelligence to materially improve fertility rates in IVF. While discussions are ongoing, no agreement has yet been reached, and one may not be. Further, the company's ability to proceed with this project or any other project may be dependent on the outcome of consultations with ASX regarding ASX Listing Rule 11.1, which covers an entity proposing to make a significant change, either directly or indirectly, to the nature or scale of its activities.

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

**– Ends –**

**For further information:** [www.lctglobal.com](http://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 LCT's propriety technology IMMUPEL™ 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 (LCT) is an Australasian biotechnology company that has focused on discovering and developing novel treatments for debilitating conditions such as diabetes and Parkinson's disease.

LCT has outlicensed DIABECCELL (alginate coated capsule containing neonatal porcine pancreatic cells) to Diatranz Otsuka Limited to continue the development of a cell therapy for type 1 diabetes in return for a royalty arrangement.

LCT is currently securing funding for the next step in the development of NTCELL (alginate coated capsule containing clusters of neonatal porcine choroid plexus cells) after completing phase IIa and IIb clinical studies in Parkinson's disease. In a Phase IIb trial of NTCELL, there was not a statistically significant difference between the groups who received NTCELL and the placebo group at the 26-week study endpoint. However, at 24 months post-implant a clinically relevant effect was observed (<-6.45 points from baseline) in two of the three treatment groups. LCT is now looking to conduct a third clinical trial in a large cohort of recipients seeking to alter the rate of disease progression.

LCT also continues to seek new product project opportunities as well as interactions that leverage its financial assets.

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 New Zealand.

For more information visit [www.lctglobal.com](http://www.lctglobal.com) or follow @lctglobal on Twitter.

### **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.

## Annexure A

The terms and conditions of the Notes are as follows:

1. Unless earlier converted in accordance with Clause 4, the face value of each Note, being \$0.0085 will be repaid in full without counterclaim on the date which is six months from the date of issue, if shareholder approval is not obtained to the convertibility of the Note as required by clause 4.
2. Subject to clause 4, each Note will convert into one ordinary share in the capital of the Company, together with one option (**Option**) for each three Notes held, each such Option to be exercisable at \$0.015 per ordinary share in the capital of the Company at any time before 19 April 2024.
3. The Notes will earn interest at the rate of 10% per annum, such interest to be paid on the earlier of the date on which the Notes are repaid in full or converted in accordance with clause 4, provided that if the Notes are converted in accordance with clause 4 such interest payment will be satisfied by the issue of one Option for each two Notes converted.
4. The convertibility of the Notes will be conditional on and will occur automatically on shareholder approval to such conversion being obtained under Listing Rule 7.1 of the Australian Securities Exchange (**Listing Rules**) within three months of the date of issue. The Company covenants and agrees with the Noteholder that it will seek to obtain such shareholder approval to ensure that such is the case.
5. The Noteholder may demand immediate repayment of all Notes held by such Noteholder together with all accrued and unpaid interest, and the Company must immediately make the total payment so demanded in cash upon the occurrence of any of the following events:
  - (a) the Company fails to perform any undertaking or obligation of it under this Note and that failure is not remediable.
  - (a) if the failure described in clause 5(a) is remediable, and the Company does not remedy the failure within five business days after receipt by the Company of a notice from the Noteholder specifying the failure;
  - (b) any of the following occur:
    - (i) an application is made;
    - (ii) an order is made; or
    - (iii) a resolution is passed or any steps are taken to pass a resolution, for the winding up of the Company;
  - (c) any of the following occur:
    - (i) an administrator is appointed, or any steps are taken to appoint an administrator; or
    - (ii) a resolution to appoint an administrator is passed, or any steps are taken to pass a resolution to appoint an administrator, to the Company;

- (d) the Company is deregistered, or any steps are taken to deregister it;
  - (e) the Company suspends payment of its debts generally;
  - (f) the Company is:
    - (i) unable to pay its debts when they are due; or
    - (ii) deemed to be unable to pay its debts under applicable legislation;
  - (g) the Company enters into or resolves to enter into any insolvent arrangement, or composition or compromise with, or assignment for the benefit of any of its or their creditors.
6. There are no participating rights or entitlements inherent in the Notes and the Noteholders in their capacity as such will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Note.
  7. The Company will deduct interest withholding tax on interest amounts, where applicable.
  8. In the event of a reorganisation of capital by the Company the number of Notes will be adjusted in accordance with Listing Rule 7.22 of the Listing Rules.
  9. The Notes are transferrable by the Noteholder, on delivery to the Company of a transfer form in common form duly executed by the Noteholder and the transferee.
  10. If and to the extent any of the preceding terms and conditions are inconsistent with the Listing Rules, such rules will prevail in all respects to the extent of the inconsistency.
  11. These terms and conditions are governed by the laws of the State of New South Wales and the Company and the Noteholder unconditionally submit to the jurisdiction of the courts of that State and courts of appeal from them.