



Living Cell Technologies Limited

CAN: 104 028 042
ASX: LCT
OTCQX: LVCLY

ASX ANNOUNCEMENT

Appendix 4C Quarterly Cash Flow Report 31 March 2013

29 April 2013 – Sydney, Australia & Auckland, New Zealand – Living Cell Technologies Limited today announced its quarterly cash flow report for the quarter ended 31 March 2013. The Appendix 4C is attached.

Dr Andrea Grant, Managing Director, said the company is in a solid cash position.

“Our cash balance has increased to \$4,906,000 from \$2,354,000 last quarter. We received service fees from Diatranz Otsuka Limited for R&D on DIABECCELL and our expenditure on the clinical program of NTCELL in Parkinson’s was fully reimbursed by Otsuka Pharmaceutical Factory. So our cash burn in the quarter and going forward will be minimal,” said Dr Grant.

Net operating cash flow in the quarter was \$2,553,000 compared to (\$586,000) last quarter. Receipts from customers were \$4,808,000 (last quarter \$1,767,000). The prime reason for the increase in these items is the receipt of the \$3,000,000 option fee less a \$150,000 withholding tax from Otsuka Pharmaceutical Factory, Inc.

Operating payments were \$2,289,000 compared to \$2,384,000 last quarter. Approximately 85% of these payments are recovered through LCT’s co-development and joint venture agreements as they include costs for NTCELL[®] clinical development and the services provided to DOL for the development of DIABECCELL[®].

– Ends –

For further information: www.lctglobal.com

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About Living Cell Technologies

Living Cell Technologies (LCT) is a recognised world leader in cell transplant therapeutics. It aims to improve the wellbeing of people with serious diseases by discovering, developing and commercialising breakthrough treatments that use the regenerative healing properties of naturally occurring cells.

In 2011, LCT formed a partnership with Otsuka Pharmaceutical Factory Inc (OPF) establishing the joint venture Diatranz Otsuka Limited (NZ). LCT transferred its most advanced therapeutic candidate DIABECCELL[®] into the joint venture, while OPF transferred \$25m to fund the final phase of development of DIABECCELL through to market approval.

DIABECCELL is in Phase IIb clinical trials in Argentina and is indicated for the treatment of people with type 1 diabetes, especially those suffering from life threatening episodes of unaware hypoglycaemia. This is when a person's blood glucose falls to dangerously low levels without the person having any sign or symptom that this is happening. This can lead to sudden unconsciousness and loss of life, especially if the person is alone and does not receive immediate assistance to restore their glucose levels.

LCT's second therapeutic candidate is NTCELL[®], a cell type taken from the brain which has the ability to protect, repair and regenerate damage tissues. In pre-clinical studies NTCELL has demonstrated the ability to regenerate damaged tissue and restore function in animal models of Parkinson's disease, stroke, Huntington's disease and hearing loss as well as acting generally to heal chronic wounds.

In 2012, LCT and OPF agreed to co-develop NTCELL as a treatment for Parkinson's with OPF fully funding the Phase I trials in New Zealand.

For more information visit www.lctglobal.com or follow @lctglobal.

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 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.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Living Cell Technologies Limited

ABN

14 104 028 042

Quarter ended ("current quarter")

31 March 2013

Consolidated statement of cash flows current

| Cash flows related to operating activities | Current quarter \$A'000 | Year to date (...9.... months) \$A'000 |
|---|----------------------------|--|
| 1.1 Receipts from customers | 4,808 | 8,233 |
| 1.2 Payments for (a) staff costs | (304) | (883) |
| (b) advertising and marketing | (17) | (60) |
| (c) research and development | (1,827) | (5,264) |
| (d) leased assets | - | - |
| (e) other working capital | (141) | (385) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 34 | 95 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Other (government grants received) | - | - |
| Net operating cash flows | 2,553 | 1,736 |

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

| | Current quarter \$A'000 | Year to date (...9... months) \$A'000 |
|--|----------------------------|---|
| 1.8 Net operating cash flows (carried forward) | 2,553 | 1,736 |
| Cash flows related to investing activities | | |
| 1.9 Payment for acquisition of: | | |
| (a) businesses (item 5) | - | - |
| (b) equity investments | - | - |
| (c) intellectual property | - | - |
| (d) physical non-current assets | (1) | (16) |
| (e) other non-current assets | - | - |
| 1.10 Proceeds from disposal of: | | |
| (a) businesses (item 5) | - | - |
| (b) equity investments | - | - |
| (c) intellectual property | - | - |
| (d) physical non-current assets | - | - |
| (e) other non-current assets | - | - |
| 1.11 Loans to other entities | - | - |
| 1.12 Loans repaid by other entities | - | - |
| 1.13 Other (provide details if material) | - | - |
| Net investing cash flows | (1) | (16) |
| 1.14 Total operating and investing cash flows | 2,552 | 1,720 |
| Cash flows related to financing activities | | |
| 1.15 Proceeds from issues of shares, options, etc. | - | - |
| 1.16 Proceeds from sale of forfeited shares | - | - |
| 1.17 Proceeds from borrowings | - | - |
| 1.18 Repayment of borrowings | - | - |
| 1.19 Dividends paid | - | - |
| 1.20 Other (provide details if material) | - | - |
| Net financing cash flows | - | - |
| Net increase (decrease) in cash held | 2,552 | 1,720 |
| 1.21 Cash at beginning of quarter/year to date | 2,354 | 3,170 |
| 1.22 Exchange rate adjustments to item 1.20 | - | 16 |
| 1.23 Cash at end of quarter | 4,906 | 4,906 |

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Quarterly report for entities
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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2 | 130 |
| 1.25 | Aggregate amount of loans to the parties included in item 1.11 | - |

1.26 Explanation necessary for an understanding of the transactions

Salaries & fees paid to directors for the quarter

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

NIL

Financing facilities available

Add notes as necessary for an understanding of the position.

| | | Amount available \$A'000 | Amount used \$A'000 |
|-----|-----------------------------|-----------------------------|------------------------|
| 3.1 | Loan facilities | - | - |
| 3.2 | Credit standby arrangements | - | - |

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Appendix 4C
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Reconciliation of cash

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | Current quarter \$A'000 | Previous quarter \$A'000 |
|---|----------------------------|-----------------------------|
| 4.1 Cash on hand and at bank | 440 | 539 |
| 4.2 Deposits at call | 4,466 | 1,815 |
| 4.3 Bank overdraft | - | - |
| 4.4 Other (provide details) | - | - |
| Total: cash at end of quarter (item 1.23) | 4,906 | 2,354 |

Acquisitions and disposals of business entities

| | Acquisitions <i>(Item 1.9(a))</i> | Disposals <i>(Item 1.10(a))</i> |
|---|--------------------------------------|------------------------------------|
| 5.1 Name of entity | | |
| 5.2 Place of incorporation or registration | | |
| 5.3 Consideration for acquisition or disposal | | |
| 5.4 Total net assets | | |
| 5.5 Nature of business | | |

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: ORIGINAL SIGNED
 (Company secretary)

Date: 29 April 2013

Print name: N J V Geddes

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Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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