

COMPANY ANNOUNCEMENT

Living Cell Technologies closes successful IPO

Thursday 26 August 2004, Australia:



Living Cell Technologies has closed its Initial Public Offer after successfully raising a total of AU\$6.36m. The Offer was supported by strong demand from retail and institutional clients of Taylor Collinson Limited, the Underwriter to the Offer. Trading in LCT, which is currently listed on the Newcastle Stock Exchange (NSX:LCT), will be suspended to allow an orderly transfer of LCT shares to the main Australian bourse, the Australian Stock Exchange, on 1 September 2004. This brings the total number of shares on issue to 79,994,438 of which 30,193,449 are under an escrow trading restriction for up to two years.

LCT is an international biotechnology company formed in 1987 to develop and commercialise cell therapies for the treatment of a wide variety of diseases that involve a loss of cell function including Huntington's disease, Haemophilia and Diabetes. LCT's technology platform enables the implantation of living cells into patients to restore the function of diseased or damaged organs.

"We warmly welcome our new shareholders," said David Collinson, CEO and Executive Director. "LCT is a unique biotechnology company with an international infrastructure, significant scientific and commercial potential and a clear path to market. Transferring to the ASX is a significant and strategic step in our development and the keen interest in our capital raising not only validates our hard work to date but will underscore continued success in further developing our unique technology."

Professor Bob Elliott, co-founder and Medical Director of LCT, explained that there are currently no effective, long term treatments or cures for Huntington's disease, Haemophilia and Diabetes.

"LCT has already achieved convincing validation of the enormous potential of our technology in animal trials and in authorised pilot human trials conducted in New Zealand. With these additional funds we intend to fast track our pre-clinical trials in Singapore and the US to support the registration and commercialisation of our patented cell based product portfolio," said Prof Elliott.

LCT's international infrastructure incorporates a research and technology unit in New Zealand with a GMP-accredited facility and a specialised pig breeding facility (for use in the production of pancreatic islets for the treatment of diabetes), a product development unit in Rhode Island, US and an alliance with the University of Perugia in Italy for development of the alginate encapsulation technology, a crucial step in delivery of the cell-based therapy. An exclusive contract with the University of Perugia is in place for the supply of purified alginate.

Media Information	Company Information - AUS	US	NZ
Kate Mazoudier Buchan Tel: +613 9866 4722 Mobile +61 403 497 424 kmazoudier@bcg.com.au	Roger Coats COO - LCT Ltd Tel: +618 8179 2874 Fax: +618 8179 2885 r.coats@lct.com.au	Alfred Vasconcellos CEO - LCT BioPharma Inc Tel: +1 401-821-3500 Fax: +1 401-823-0466 a.vasconcellos@lct.com.au	Prof Bob Elliott Medical Director LCT Ltd Tel: +64 9276 2690 Fax: +64 9276 2691 r.elliott@lct.com.au