



Living Cell Technologies Ltd

COMPANY ANNOUNCEMENT

Living Cell Technologies Announces collaboration with Centocor Research & Development, Inc.

December 18, 2008 – Sydney, Australia, Auckland, New Zealand and Boulder, Colorado, USA- Living Cell Technologies Limited (ASX:LCT; OTCQX: LVCLY) today announced that the Company has commenced a research agreement with Centocor Research & Development, Inc. (Centocor). Through this agreement, Centocor will have access to LCT's proprietary encapsulation technology.

LCT is a world leader in the encapsulation of living cells for research and therapeutic purposes. The alginate capsules consist of three layers with nano scale pores, designed to prevent the host's immune system from detecting the foreign cells while at the same time allowing nutrients to reach the cells and cell secretions to exit, ensuring long term survival.

LCT has patents pending worldwide on the selection of materials and techniques for placing cells in biocapsules.

Chief Operating Officer of LCT, Dr Paul Tan said, "LCT's encapsulation technology is a critical factor for the effectiveness of DIABECCELL[®]. We have always known that this technology has much wider application and value. The arrangement with Centocor has the potential for ongoing collaboration and future licensing opportunities."

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About Living Cell Technologies: www.lctglobal.com

Living Cell Technologies (LCT) is developing cell-based products to treat life threatening human diseases. The Company owns a bio-certified pig herd that it uses as a source of cells for treating diabetes and neurological disorders. For patients having type 1 diabetes, the Company implants micro-encapsulated islet cells so that near-normal blood glucose levels may be achieved without the need for administration of insulin or at significantly reduced levels. LCT entered clinical trials for its diabetes product in 2007. The Company is developing treatments for Huntington's disease and other neurological disorders that involve implantation of micro-encapsulated choroid plexus cells to deliver beneficial proteins and neurotrophic factors to the brain. LCT's technology has the potential for allowing healthy living cells to be injected into patients to replace or repair damaged tissue without requiring the use of immunosuppressive drugs to prevent rejection. LCT also is developing medical-grade porcine-derived products for the repair and replacement of damaged tissues, as well as for research and other purposes.

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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 December 18 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.