

Living Cell
Technologies Ltd

15 December 2004

Message from the Chairman of Living Cell Technologies: Mr Michael Yates



Dear Shareholder/Investor

I have been requested by the Board and agreed to take on the role of Executive Chairman of the Company.

I am very pleased with the progress of the Company, meeting the financial and scientific milestones towards our goal of significantly helping millions of sufferers of our target diseases. The Company is growing quickly, positioning itself to take the lead in the live cell therapy market in the US, Europe and Asia. As discussed at the AGM, we are actively considering a listing on the US and / or European markets in 2005.

The Board is gratified by the reception of our IPO, positioning Living Cell Technologies the most successful biotech listing of 2004. In fact the Biotechnology Group (BioGroup) of the Technology Collective, a US government program that champions technology growth and innovation, has chosen to conclude the year by inviting LCT to present its strategy for success to an audience of early stage Biotech companies. LCT is honoured to be used as an example of a successful venture and will share a brief summary of our global plan at the year-end meeting on 15 December.

LCT is now gearing up efforts to be ready for a formal application to the US Food and Drug Administration (FDA) for human clinical trials in 2005. In this regard we are pleased to announce that Dr Richard Kruger will assist in the preparation of an IND submission for DiabeCell, our cell transplant product for diabetes. The submission of an IND is a request for authorisation from the FDA to administer an investigational drug or biological product to humans. Dr Kruger has an extensive background with the FDA's CBER (Centre for Biologics Evaluation and Research) and is one of the most experienced regulatory experts in preparing regulatory applications on cell based therapies in the US.

All of this activity, plus an increasing amount of work developing partnerships and industry business relationships means that I am excited to take on the Executive Chairman role of the Company. I appreciate the confidence placed in me by the Board and by our shareholders, and I am confident that LCT has a very bright future.

Best regards,

Mick Yates
Chairman