LIVING CELL TECHNOLOGIES LIMITED
ACN 104 028 042

NOTICE OF GENERAL MEETING

The General Meeting of Living Cell Technologies Limited ACN 104 028 042 ("**Company**") will be held at 2.45pm Sydney time on Friday 24 February 2006 at the Country Embassy in the NSW Trade and Investment Centre, Level 44, Grosvenor Place, 225 George Street, Sydney, New South Wales, Australia.

The business to be considered at the General Meeting is set out below. The Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum, which contains information in relation to each of the following resolutions.

SPECIAL BUSINESS

Resolution 1 – Issue of Shares to clients of Hunter Capital International

To consider and, if thought fit, pass the following as an **ordinary** resolution:

> "*That for the purposes of Listing Rule 7.1 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, the Company hereby approves and authorises the issue of 33,333,333 fully paid ordinary shares in the capital of the Company to clients of Hunter Capital International such shares to be on the terms set out in the Explanatory Memorandum.*"

Resolution 2 – Issue of Warrants to Hunter Capital International

To consider and, if thought fit, pass the following as an ordinary resolution:

> "*That for the purposes of Listing Rule 7.1 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, the Company hereby approves and authorises the issue of 2,380,131 unlisted warrants to Hunter Capital International, on the terms and conditions set out in the Explanatory Memorandum accompanying this notice in payment of capital raising fees associated with the placement of shares referred to in Resolutions 1 and 3.*"

Resolution 3 – Approval of Share Issues

To consider and, if thought fit, pass the following as an **ordinary** resolution:

> "*That for the purposes of Listing Rule 7.4 of the Listing Rules of the Australian Stock Exchange Limited and for all other purposes, the Company hereby approves and authorises the issue of 14,769,283 ordinary shares in the capital of the Company to the persons named or identified in the Explanatory Memorandum and on the terms and conditions set out in the Explanatory Memorandum.*"

Voting Exclusion Statements:

Resolution 1

The Company will disregard any votes cast on Resolution 1 by any person who may participate in the proposed issue and any person who may obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) and any associates of these persons.

Resolution 2

The Company will disregard any votes cast on Resolution 2 by Hunter Capital International and any person who may obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) and any associate of Hunter Capital International.

Resolution 3

The Company will disregard any votes cast on Resolution 3 by any person named or identified in the Explanatory Memorandum as a person to whom shares the subject of Resolution 3 were issued and any associate of any one or more of any such persons.

Exception to Voting Exclusion Statements:

However, the Company need not disregard a vote if:

(a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or

(b) it is cast by a person chairing the meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

By order of the Board

Nicholas Geddes
Company Secretary
January 2006

Proxies

- Votes at the General Meeting may be given personally or by proxy, attorney or representative.

- A member entitled to attend and vote at the meeting has the right to appoint no more than two proxies.

- A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

- If the member appoints two proxies and the appointment does not specify the proportion or the number of the member's votes each proxy may exercise, each proxy may exercise one half of the member's votes. If the member appoints two proxies neither proxy may vote on a show of hands.

- A proxy need not to be a member of the Company.

- A proxy form must be signed by the member or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed by two directors, a director and company secretary, or for a proprietary company that has a sole director who is also the sole company secretary, that director. A corporation may also sign under the hand of a duly authorised officer or attorney.

- The proxy form (and any Power of Attorney under which it is signed) must be received at the registered office of Living Cell Technologies Limited, c/- Australian Company Secretaries, L5, 255 George Street, Sydney, NSW, 2000 (GPO Box 4231, Sydney, NSW, 2001). Alternatively, the Form can be faxed to the Company on (02) 9252 2487. To be effective the Form must be received by the Company at the above address **not later than 48 hours before the commencement of the General Meeting** that is by 2.45 Sydney time on Wednesday 22 February 2005. Any proxy form received after that time will not be valid for the meeting.

PROXY FORM

LIVING CELL TECHNOLOGIES LIMITED

ACN 104 028 042

I/We..
(PLEASE PRINT NAME)

Of..
(ADDRESS)

being a member/members of Living Cell Technologies Limited

A Appoint ....
(PLEASE PRINT NAME)

or failing the person so named (or if no person is named) the **Chairman of the Meeting *[if appointing the Chairman see B below]*** as proxy to vote in accordance with the following directions (or if no directions have been given as the proxy or the Chairman sees fit) at the General Meeting of members of Living Cell Technologies Limited to be held on Friday 24 February 2006 commencing at 2.45pm and at any adjournment.

B Exercise of Proxy by Chairman

For undirected proxies, the Chairman intends to vote in favour of each resolution. If you do not wish to direct your proxy how to vote, please place a mark in the box. ☐

C Business	For	Against	Abstain
Resolution 1 – Issue of Shares to clients of Hunter Capital International	☐	☐	☐
Resolution 2 – Issue of Warrants to Hunter Capital International	☐	☐	☐
Resolution 3 – Approval of Share Issues	☐	☐	☐

D If Appointing a Second Proxy

State here the percentage of your voting rights	**%**
Or	Or
the number of shares applicable to this Form	**Number**

E Insert your daytime telephone number (S T D)

F Signature(s)

Signatures if Corporate Shareholder (See Note F)

Executed in accordance with section 127 of the Corporations Act

Director/Sole Director sign and print name

Director/Secretary sign and print name

Note: For your proxy to be entitled to vote your shares at the Meeting, the completed Proxy Form must be received by the Company not later than 48 hours prior to the Meeting.

LIVING CELL TECHNOLOGIES LIMITED

ACN 104 028 042

INSTRUCTION FOR COMPLETION OF PROXY FORM

Your vote is important. Please direct your proxy how to vote. For your proxy to be entitled to vote your shares at the Meeting, the Company must receive the completed Proxy Form not later than 48 hours prior to the Meeting. Any proxy received after this deadline will be treated as invalid.

A. Appoint

Insert here the name of the person you wish to appoint as proxy. Members cannot appoint themselves. If you submit a Proxy Form which does not name a person to act as your proxy, the Chairman of the Meeting will act as your proxy. You can vote your shares by proxy even if you plan to attend the Meeting.

B. Exercise of Proxy by Chairman

For undirected proxies, Chairman intends to vote in favour of each resolution. If you do not wish to direct your proxy how to vote, please place a mark in the box.

C. Business

If you wish to direct your proxy how to vote on any item, place a mark in the appropriate box. If a mark is placed in a box, your total shareholding will be voted in that manner. You may, if you wish, split your voting direction by inserting the number of shares you wish to vote in the appropriate box. The vote will be invalid if a mark is made against more than one box for a particular item or if the total shareholding shown in "For", "Against" and "Abstain" boxes is more than your total shareholding on the share register.

D. If Appointing a Second Proxy

A member is entitled to appoint up to two persons (whether members or not) to attend the Meeting as proxies and vote. If you wish to appoint two proxies please photocopy your proxy form or obtain another proxy form by calling the Company Secretary on (02) 9252 1933. Both Forms should be completed with the nominated percentage of your voting rights or number of shares on each Form. If you do not specify the nominated percentage of your voting rights or number of shares, each of the proxies may exercise half of the votes. Please return these Proxy Forms together.

E. Insert your daytime telephone number

This is required in case we need to contact you.

F. Signature(s)

This Form must be signed by the member. If the member is an Australian corporation, the Form must be executed in accordance with section 127 of the Corporations Act or by an attorney. If a person who is not the registered shareholder signs this Form then the relevant authority must either have been exhibited previously to the Company or be enclosed with this Form.

Further Important Information

Please return your completed Proxy Form to the Company Secretary c/- Australian Company Secretaries Pty Ltd, at Level 5, 255 George Street, Sydney, NSW, 2000 (GPO Box 4231, Sydney, NSW, 2001). Alternatively, your Form can be faxed to the Company on (02) 9252 2487. To be effective, the Form must be received by the Company at the above address not later than 48 hours prior to the Meeting. **If you require further information on how to complete the Proxy Form, telephone the Company Secretary on (02) 9252 1933.**

LIVING CELL TECHNOLOGIES LIMITED
ACN 104 028 042

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders of Living Cell Technologies Limited ACN 104 028 042 ("**Company**") in connection with the business to be transacted at the General Meeting of shareholders of the Company to be held at 2.45pm Sydney time on Friday 24 February 2006 at the Country Embassy in the NSW Trade and Investment Centre, Level 44, Grosvenor Place, 225 George Street, Sydney, New South Wales, 2000, Australia.

The Directors recommend that shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

Resolution 1 – Issue of Shares to clients of Hunter Capital International

In order to raise funds for on-going research and development and to meet working capital requirements, the Company is proposing to issue up to 33,333,333 new fully paid ordinary shares in the Company. The Company prepared an Offering Memorandum dated 21 December 2005 that was issued to prospective investors in the United States through the investment advisory firm, Hunter Capital International.

The Offering Memorandum proposes the issue of shares to investors in two separate tranches ("**Tranche 1**" and "**Tranche 2**"). Investors who have completed and returned to the Company Subscription Agreements have already been issued with 14,769,283 shares in the Company. Shareholder approval of this issue of Tranche 1 shares is sought as outlined in Resolution 3 below.

Subject to a number of exceptions, ASX Listing Rule 7.1 provides that a company must not issue equity securities without shareholder approval if that issue when added to other securities issued by the company in the previous 12 months will exceed 15% of the ordinary securities on issue at the commencement of the 12 month period.

Prior to issuing investors with Tranche 2 shares, the Company is seeking shareholder approval under Listing Rule 7.1 to enable the Company to issue more than 15% of its issued capital in a twelve month period. Accordingly, Resolution 1 seeks shareholder approval pursuant to Listing Rule 7.1 for the issue of 33,333,333 fully paid ordinary shares in the capital of the Company at a minimum issue price of $0.24 a share.

Shareholder approval to the proposed issue is also sought under Listing Rule 7.1 so that the Company will be free to make further issues of securities in the ensuing 12 month period up to the full 15% threshold.

The shares will be issued no later than 3 months after the date of this meeting.

Resolution 2 – Issue of Warrants to Hunter Capital International

Resolution 2 seeks approval under Listing Rule 7.1 of the proposed issue of warrants to Hunter Capital International in payment of the capital raising fee in connection with the placement of the shares.

Specifically, under the terms of the Offering Memorandum, the Company will pay a capital raising fee to Hunter Capital International consisting of a cash payment and warrants to purchase ordinary shares in the Company equal to 5% of the number of shares issued under the placement. It is anticipated that a total number of 2,380,131 warrants will be issued to Hunter Capital International in consideration for placing shares in the Company. A total number of 713,464 warrants will be issued in connection with the placement of Tranche 1 shares and a further 1,666,667 warrants will be issued if the placement of the Tranche 2 shares subject to Resolution 3 being passed, proceeds.

The terms and conditions of the warrants are summarised in the Annexure to this Explanatory Memorandum. In particular, each warrant is an option to acquire an ordinary share in the Company. Each warrant is an option to acquire an ordinary share at an exercise price equal to the issue price per share, being $0.205 in respect of the Tranche 1 shares and a minimum issue price of $0.24 in respect of the Tranche 2 shares. Each share issued upon exercise of a warrant will rank equally in all respects with the Company's existing shares. Accordingly, 2,380,131 warrants represent options to acquire 2,380,131 ordinary shares in the Company.

As the warrants will be issued for no cash consideration, no funds will be raised from the issue. If the warrants are exercised, the proceeds from the exercise will be used to fund on-going research and development and to meet working capital requirements.

The warrants will be issued no later than 3 months after the date of this meeting.

Resolution 3 – Approval of Share Issues

Subject to a number of exceptions ASX Listing Rule 7.1 provides that a company must not issue equity securities without shareholder approval if that issue when added to other securities issued by the company in the previous 12 months will exceed 15% of the ordinary securities on issue at the commencement of the 12 month period.

An issue of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and shareholders subsequently approve it under Listing Rule 7.4. During the period from the date which is 12 months prior to the date of this meeting and the date of this Notice of Meeting the company issued 14,769,283 ordinary shares in the capital of the company as follows:

Number of securities issued	Date of Issue	Price	Names of allottees or basis on which allottees were determined	Use of funds raised
14,269,283	11/01/06	$0.205 per share	Clients of Hunter Capital International	General working capital purposes
500,000	11/01/06	$0.22 per share	Hubbard Churcher Trust Management Ltd	General working capital purposes

All shares issued were ordinary shares and were issued as fully paid.

ANNEXURE

TERMS AND CONDITIONS OF WARRANTS TO BE ISSUED TO HUNTER CAPITAL INTERNATIONAL

1. Each warrant entitles the holder to subscribe for 1 ordinary share of the Company.

2. The warrants will have a 5 year term and will automatically lapse after the 5 year term has expired.

3. The warrants will be issued to Hunter Capital International immediately following the issue of the shares under the placement and in any event, no later than 3 months after the date of this meeting.

4. Each warrant will have an exercise price equal to the price per share paid for shares under the placement and will be exercisable following the issue of the shares under the placement, being $0.205 in respect of the Tranche 1 shares and a minimum issue price of $0.24 in respect of the Tranche 2 shares.

5. The warrants are exercisable by notice in writing to the Company accompanied by the payment of the exercise price.

6. All shares issued on the exercise of the warrants will rank equally in all respects with the Company's then existing fully paid ordinary shares.

7. The warrants are transferable. The Company does not intend to apply for quotation of the warrants on ASX. The Company must apply to ASX within 10 business days after the date of issue for all shares issued pursuant to the exercise of warrants to be admitted to quotation.

8. Holders may only participate in new issues of securities to holders of ordinary shares in the Company if a warrant has been exercised and shares issued in respect of the warrant before the record date for determining entitlements to the issue. The Company must give at least 7 business days' notice to holders of any new issue before the record date for determining entitlements to that issue in accordance with the Listing Rules.

9. There will be no change to the exercise price of a warrant or the number of ordinary shares over which a warrant is exercisable in the event of the Company making a pro rata issue of shares or other securities to the holders of ordinary shares in the Company (other than a bonus issue).

10. If there is a bonus issue (Bonus Issue) to the holders of ordinary shares in the Company, the number of ordinary shares over which a warrant is exercisable will be increased by the number of shares which the holder would have received if the warrant had been exercised before the record date of the bonus issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied to the Bonus Issue and upon issue rank

equally in all respects with the other shares of that class on issue at the date of the issue of the Bonus Shares.

11. If, prior to the expiry of any warrants, there is a reorganisation of the issued capital of the Company, warrants are to be treated in the manner set out in the Listing Rules applying to reorganisations of capital at that time.