



## **Living Cell Technologies Limited**

**ACN:** 104 028 042

**ASX:** LCT

**OTCQX:** LVCLY

### **ASX ANNOUNCEMENT**

## **Appendix 4C Quarterly Cash Flow Report 31 March 2016**

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**14 April 2016 – Sydney, Australia & Auckland, New Zealand** – Living Cell Technologies Limited today released its cash flow report for the quarter ended 31 March 2016. The Appendix 4C is attached. The company ended the quarter with a cash balance of \$5,208,798 compared to \$3,604,500 in the previous quarter. The increase is due to receipt of funds from the private placement partially offset by normal operating payments.

Net operating cash flow in the quarter was \$(838,116) compared to \$(892,296) in the previous quarter. Receipts from customers were \$33,101 (previous quarter \$20,884) reflecting services provided to the joint venture company. Operating payments were \$1,049,386 compared to \$1,053,109 in the previous quarter.

Investing activity payments include three instalments of the amount due to the joint venture for the purchase of pigs and plant and equipment.

Financing activity records receipt of funds from the private placement completed in February and the share purchase plan which was completed in April.

Chief executive Dr Ken Taylor said that the company is in a sound cash and operating position to proceed with the the Phase IIb clinical trial of NTCELL® for Parkinson's disease which commenced on 24 March. The Phase IIb trial aims to confirm the most effective dose of NTCELL, define any placebo component of the response and further identify the initial target Parkinson's disease patient sub group. If the trial is successful the company will apply for provisional consent to treat paying patients in New Zealand.

**– Ends –**

**For further information:** [www.lctglobal.com](http://www.lctglobal.com)

|                                                                                                                                                                              |                                                                                                                                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>At the Company:</b><br>Ken Taylor<br>Chief Executive<br>Tel: +64 9 276 2690<br>Mobile: +64 21 796 000<br><a href="mailto:ktaylor@lctglobal.com">ktaylor@lctglobal.com</a> | <b>Media Contact:</b><br>Rachael Joel<br>Botica Butler Raudon Partners<br>Tel: +64 9 303 3862<br>Mobile: +64 21 403 504<br><a href="mailto:rachaelj@botica.co.nz">rachaelj@botica.co.nz</a> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## **About Living Cell Technologies**

Living Cell Technologies Limited (LCT) is an Australasian biotechnology company improving the wellbeing of people with serious diseases worldwide by discovering, developing and commercialising regenerative treatments which restore function using naturally occurring cells.

LCT's lead product, NTCELL<sup>®</sup>, is an alginate coated capsule containing clusters of neonatal porcine choroid plexus cells. After transplantation NTCELL functions as a biological factory, producing factors to promote new central nervous system growth and repair disease-induced nerve degeneration.

The Phase I/IIa NTCELL clinical trial in New Zealand for the treatment of Parkinson's disease met the primary endpoint of safety and reversed progression of the disease after one year. Results from this trial were used to design a larger Phase IIb trial to confirm the most effective dose of NTCELL, define any placebo component of the response and further identify the initial target Parkinson's disease patient sub group. If the trial is successful the company will apply for provisional consent to treat paying patients in New Zealand and launch NTCELL as the first disease modifying treatment for Parkinson's disease in 2017.

In addition to Parkinson's disease, NTCELL has the potential to be used in a number of other central nervous system indications, including Huntington's, Alzheimer's and motor neurone diseases including amyotrophic lateral sclerosis (ALS).

LCT's proprietary encapsulation technology, IMMUPEL<sup>™</sup>, allows cell therapies to be used without the need for co-treatment with drugs that suppress the immune system.

LCT is listed on the Australian (ASX: LCT) and US (OTCQX: LVCLY) stock exchanges. The company is incorporated in Australia, with its operations based in New Zealand.

For more information visit [www.lctglobal.com](http://www.lctglobal.com) or follow @lctglobal on Twitter.

## **Forward-looking statements**

This document may contain 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 commercialisation 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 materialise, 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 2016

### Consolidated statement of cash flows current

| <b>Cash flows related to operating activities</b> |                                                       | Current quarter<br>\$A | Year to date<br>(...9.... months)<br>\$A |
|---------------------------------------------------|-------------------------------------------------------|------------------------|------------------------------------------|
| 1.1                                               | Receipts from customers                               | 33,101                 | 62,352                                   |
| 1.2                                               | Payments for (a) staff costs                          | (259,627)              | (705,314)                                |
|                                                   | (b) advertising and marketing                         | (52,748)               | (115,070)                                |
|                                                   | (c) research and development                          | (495,904)              | (1,281,835)                              |
|                                                   | (d) leased assets                                     | -                      | -                                        |
|                                                   | (e) other working capital                             | (241,106)              | (739,123)                                |
| 1.3                                               | Dividends received                                    | -                      | 5,850                                    |
| 1.4                                               | Interest and other items of a similar nature received | 14,890                 | 102,664                                  |
| 1.5                                               | Interest and other costs of finance paid              | -                      | -                                        |
| 1.6                                               | Income taxes paid                                     | -                      | -                                        |
| 1.7                                               | Other (grants received)                               | 163,278                | 244,147                                  |
| <b>Net operating cash flows</b>                   |                                                       | <b>(838,116)</b>       | <b>(2,426,329)</b>                       |

+ See chapter 19 for defined terms.

**Appendix 4C**  
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|                                                      | Current quarter<br>\$A | Year to date<br>(9 months)<br>\$A |
|------------------------------------------------------|------------------------|-----------------------------------|
| 1.8 Net operating cash flows (carried forward)       | <b>(838,116)</b>       | <b>(2,426,329)</b>                |
| <b>Cash flows related to investing activities</b>    |                        |                                   |
| 1.9 Payment for acquisition of:                      |                        |                                   |
| (a) businesses (item 5)                              | -                      | -                                 |
| (b) equity investments                               | -                      | -                                 |
| (c) intellectual property                            | -                      | -                                 |
| (d) physical non-current assets                      | (141,874)              | (238,490)                         |
| (e) other non-current assets                         | -                      | (43,245)                          |
| 1.10 Proceeds from disposal of:                      |                        |                                   |
| (a) businesses (item 5)                              | -                      | 10                                |
| (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)             | -                      | -                                 |
| <b>Net investing cash flows</b>                      | <b>(141,874)</b>       | <b>(281,726)</b>                  |
| <b>1.14 Total operating and investing cash flows</b> | <b>(979,990)</b>       | <b>(2,708,054)</b>                |
| <b>Cash flows related to financing activities</b>    |                        |                                   |
| 1.15 Proceeds from issues of shares, options, etc.   | 2,822,251              | 2,822,251                         |
| 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)             | (14,645)               | (14,645)                          |
| <b>Net financing cash flows</b>                      | <b>2,807,606</b>       | <b>2,807,606</b>                  |
| <b>Net increase (decrease) in cash held</b>          | <b>1,828,616</b>       | <b>99,552</b>                     |
| 1.21 Cash at beginning of quarter/year to date       | 3,604,500              | 5,144,026                         |
| 1.22 Exchange rate adjustments to item 1.20          | (223,318)              | (34,780)                          |
| 1.23 <b>Cash at end of quarter</b>                   | <b>5,208,798</b>       | <b>5,208,798</b>                  |

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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<br>\$A |
|------|------------------------------------------------------------------|------------------------|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2 | 67,500                 |
| 1.25 | Aggregate amount of loans to the parties included in item 1.11   | -                      |
| 1.26 | Explanation necessary for an understanding of the transactions   |                        |
|      | NIL                                                              |                        |

**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

On 2 December 2015 LCT announced that had purchased plant, designated pathogen free pigs and inventory. This will be paid at approximately \$50,000 per month over 12 months. 3 payments have been made this Quarter.

- 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<br>\$A | Amount used<br>\$A |
|---------------------------------|-------------------------|--------------------|
| 3.1 Loan facilities             | -                       | -                  |
| 3.2 Credit standby arrangements | -                       | -                  |

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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<br>\$A | Previous quarter<br>\$A |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------------|
| 4.1 Cash on hand and at bank                                                                                                                                | 545,026                | 735,586                 |
| 4.2 Deposits at call                                                                                                                                        | 4,663,772              | 2,868,914               |
| 4.3 Bank overdraft                                                                                                                                          | -                      | -                       |
| 4.4 Other (provide details)                                                                                                                                 | -                      | -                       |
| <b>Total: cash at end of quarter</b> (item 1.23)                                                                                                            | <b>5,208,798</b>       | <b>3,604,500</b>        |

**Acquisitions and disposals of business entities**

|                                               | Acquisitions<br>(Item 1.9(a)) | Disposals<br>(Item 1.10(a)) |
|-----------------------------------------------|-------------------------------|-----------------------------|
| 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:

Company Secretary

Date: 14 April 2016

Print name: Mark Licciardo

**Notes**

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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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