



Living Cell Technologies Limited

(the "Company")
Registered Office
Level 7
330 Collins Street
MELBOURNE VIC 3000

ASX Code: LCT

13 July 2020

Mr Corey Lian
Advisor, Listings Compliance
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Mr Lian

Living Cell Technologies Limited ('LCT'): Aware Query

Living Cell Technologies Limited (**LCT** or the **Company**) refers to ASX's letter of 6 July 2020 and confirms that as outlined in our email to you also of 6 July, the only new information contained in the Company's Newsletter released to ASX on 3 July related to the reopening of the University labs – specifically the Newsletter stated "The team at the University of Auckland has resumed work on the migraine project" under the heading "LC-002 for Treatment of Migraine- work resumes at University of Auckland".

Accordingly, LCT responds to your questions with respect to this particular information, as follows:

1. No, LCT does not consider the information to be information that a reasonable person would expect to have a material effect on the price or value of its securities.
2. The suspension of research at the University of Auckland would only ever impact timing of the research and not outcomes. The lifting of Covid-19 restrictions in New Zealand from midnight on 8 June made clear that the suspension would be short term. In the event, by 22 June, when LCT was made aware that one animal had been treated with no results known, the suspension of research work was in fact of short duration.

Further, the suspension of research did not affect other project related activities – as stated in the CEO's message in the Newsletter, "While the shutdown has caused delay in the time to achieve milestones, the product targets are achievable and the revised timelines are feasible". The inclusion of a reference to these matters in the Newsletter was by way of update only, as evidenced by the fact that the newsletter was not marked "price sensitive". Had the information been price sensitive, it would have been released immediately it was known in a separate Announcement, consistent with LCT's usual practice.

All other information in the Newsletter was also not price sensitive.

3. On 22 June, 2020 – see above.
4. Not applicable.
5. LCT confirms that it is complying with the Listing Rules, in particular Listing Rule 3.1.
6. LCT confirms that its responses to the questions above have been authorised and approved by the Board of Directors.

In an email from the ASX of 10 July 2010, the following additional questions were raised, with respect to the statement in the Newsletter under the heading “LP-003 for Treatment of Obesity” that the Company “had intended to initiate a Phase 1 clinical study commencing in Q4 2020. Due to the COVID-19 lockdown in New Zealand, this has been delayed”. The questions and LCT’s responses are set out below:

7. When was it decided by the company not to proceed with further development of the obesity compound until the funds are available to do so.?

LCT’s response:

The decision was made by the Board in effect by its approval of the Newsletter of 3 July, as the issue was considered for the first time by the Board in the context of approving the Newsletter.

8. What was the Board’s position on the materiality aspect of the above information of not proceeding to a Phase I clinical study and other associated development activities? Did it require immediate disclosure to the market.?

LCT’s response:

Regardless, the information was not new information and therefore not price sensitive. This is because, as the Newsletter makes clear, the obesity study was delayed due to the COVID-19 lockdown as previously advised to the market, and it continued to be delayed.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Mark Licciardo', with a stylized flourish extending to the right.

Mark Licciardo
Company Secretary



6 July 2020

Reference: 20140

Mr Mark Licciardio
Company Secretary
Living Cell Technologies Limited
Level 7, 330 Collins St
Melbourne, VIC 3000

By email:

Dear Mr Licciardio

Living Cell Technologies Limited ('LCT'): General – Aware Query

ASX refers to the following:

- A. LCT's announcement entitled "LCT Newsletter - July 2020" lodged on the ASX Market Announcements Platform ('MAP') and released at 1:31 PM on 3 July 2020 (the 'Announcement'), disclosing an update on the development and progress of LCT's research projects into the treatment of migraine and obesity ('Information').
- B. Following lodgement of the Announcement, there was a change in the price of LCT's securities from a low of \$0.012 to a high of \$0.018 and a significant increase in the volume of LCT's securities until the close of trade on Friday, 3 July 2020.
- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- D. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."

- E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed.*”

- F. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Request for information

Having regard to the above, ASX asks LCT to respond separately to each of the following questions and requests for information:

1. Does LCT consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did LCT first become aware of the Information?
4. If the answer to question 1 is “yes” and LCT first became aware of the Information before the relevant date, did LCT make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe LCT was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps LCT took to ensure that the information was released promptly and without delay.
5. Please confirm that LCT is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that LCT’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of LCT with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **5:00 PM AEST Friday, 10 July 2020**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, LCT’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require LCT to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in LCT's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in LCT's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to LCT's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that LCT's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards

Corey Lian
Adviser, Listings Compliance (Sydney)