Lineage Cell Therapeutics Conducts Sale of Shares in OncoCyte Corporation

September 11, 2019

CARLSBAD, Calif.--(BUSINESS WIRE)--Sep. 11, 2019-- Lineage Cell Therapeutics, Inc. (NYSE American and TASE: LCTX), a clinical-stage biotechnology company developing novel cell therapies for unmet medical needs, announced the pricing of the sale of 4,000,000 shares of common stock of OncoCyte Corporation at a price to buyers of $1.66 per share, the closing price as of September 10, 2019. Gross proceeds from the sale were $6.6 million, before payment of $100,000 in sales commissions and offering expenses. The sale is expected to close on September 13, 2019, subject to customary closing conditions. Following the completion of the sale, Lineage will own approximately 16% or 8.4 million shares of OncoCyte's outstanding common stock. Based on the closing price of OncoCyte's common stock on September 10, 2019, the value of Lineage's remaining OncoCyte shares following the closing is approximately $14.0 million. Lineage has agreed not to sell additional shares of OncoCyte common stock until January 1, 2020 or unless the OncoCyte common stock price is above $3.00.

"Our objective is to build Lineage into a premier cell therapy company. This latest transaction involving the sale of OncoCyte shares is part of a larger strategy to raise operating capital from time to time to support our three clinical-stage programs through sources other than Lineage common stock," stated Brian M. Culley, Chief Executive Officer. "We have no plans to conduct additional sales of OncoCyte in the near-term. We continue to have other funding mechanisms at our disposal via our remaining investments in AgeX Therapeutics, Inc. and Hadasit Bio-Holdings Ltd., as well as a $21.6 million promissory note due to us in August 2020 from Juvenescence Ltd. In parallel, we continue to assess other funding and strategic alliance opportunities which may be available through our existing or future potential partners. While it is imperative to support our internal programs, we remain one of OncoCyte's largest shareholders and are highly supportive of their short and long-term growth plans. We look forward to their continued progress toward becoming a comprehensive diagnostic content company serving the needs of lung cancer patients across disease stages."

The Special Equities Group, LLC a division of Bradley Woods & Co. Ltd. acted as exclusive placement agent with respect to part of this transaction.

About Lineage Cell Therapeutics, Inc.

Lineage Cell Therapeutics is a clinical-stage biotechnology company developing novel cell therapies for unmet medical needs. Lineage's programs are based on its proprietary cell-based therapy platform and associated development and manufacturing capabilities. With this platform Lineage develops and manufactures specialized, terminally-differentiated human cells from its pluripotent and progenitor cell starting materials. These differentiated cells are developed either to replace or support cells that are dysfunctional or absent due to degenerative disease or traumatic injury or administered as a means of helping the body mount an effective immune response to cancer. Lineage's clinical assets include (i) OpRegen®, a retinal pigment epithelium transplant therapy in Phase I/IIa development for the treatment of dry age-related macular degeneration, a leading cause of blindness in the developed world; (ii) OPC1, an oligodendrocyte progenitor cell therapy in Phase I/IIa development for the treatment of acute spinal cord injuries; and (iii) VAC2, an allogeneic cancer immunotherapy of antigen-presenting dendritic cells currently in Phase I development for the treatment of non-small cell lung cancer. For more information, please visit www.lineagecell.com or follow the Company on Twitter @LineageCell.

Forward-Looking Statements

Lineage cautions you that all statements, other than statements of historical facts, contained in this press release, are forward-looking statements. Forward-looking statements, in some cases, can be identified by terms such as "believe," "may," "will," "estimate," "continue," "anticipate," "design," "intend," "expect," "could," "plan," "potential," "predict," "seek," "should," "would," "contemplate," "project," "target," "tend to," or the negative version of these words and similar expressions. Such statements include, but are not limited to, statements relating to the timing and closing of Lineage's sale of OncoCyte's shares, the amount and value of Lineage's holdings in OncoCyte, and Lineage's evaluation of future funding and strategic alliance opportunities. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Lineage's actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by the forward-looking statements in this press release, including risks and uncertainties inherent in Lineage's business and other risks described in Lineage's filings with the Securities and Exchange Commission (SEC). Lineage's forward-looking statements are based upon its current expectations and involve assumptions that may never materialize or may prove to be incorrect. All forward-looking statements are expressly qualified in their entirety by these cautionary statements. Further information regarding these and other risks is included under the heading "Risk Factors" in Lineage's periodic reports filed with the SEC, including Lineage's Annual Report on Form 10-K filed with the SEC on March 14, 2019 and its other reports, which are available from the SEC's website. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they were made. Lineage undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made, except as required by law.

View source version on businesswire.com: https://www.businesswire.com/news/home/20190911005476/en/

Source: Lineage Cell Therapeutics, Inc.

Lineage Cell Therapeutics, Inc. IR
Ioana C. Hone
(ir@lineagecell.com)
(510) 871-4188

Solebury Trout IR
Gitanjali Jain Ogawa
(Gogawa@troutgroup.com)

(646) 378-2949