



Lineage Cell Therapeutics Conducts Sale of Shares in OncoCyte Corporation

January 3, 2020

CARLSBAD, Calif.--(BUSINESS WIRE)--Jan. 2, 2020-- [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 2,383,090 shares of common stock of OncoCyte Corporation at a price to buyers of \$2.156 per share, representing the average closing price of OncoCyte common stock over the five trading days prior to the execution of the agreement. Net proceeds from the sale were approximately \$5 million. The sale is expected to close by January 9, 2020, subject to certain closing conditions. Following the completion of the sale, Lineage will own approximately 6 million shares, which represents less than 10% of OncoCyte's outstanding common stock. Based on the closing price of OncoCyte's common stock on January 2, 2020, the value of Lineage's remaining OncoCyte shares following the closing is approximately \$13.5 million. Lineage has agreed not to sell additional shares of OncoCyte common stock until March 17, 2020 or unless the OncoCyte common stock price closes above \$3.40.

"Lineage is working diligently to become a leading cell therapy company and usher in a new branch of medicine, based on transplanting intact and differentiated cells into the body to restore activity lost to aging, injury, or disease," stated Brian M. Culley, CEO. "To support our mission, we have deployed a financial strategy featuring intelligent cost-cutting alongside selectively selling our investments in OncoCyte and AgeX, companies which originated at Lineage prior to becoming independent public entities. Notably, we believe this most recent transaction involving OncoCyte will enable Lineage to have sufficient capital to support our core programs and will bridge us to the \$21.6 million promissory note due to us in August 2020 from Juvenescence Ltd. Assuming the Juvenescence note is paid in cash and on time, we believe Lineage's 2020 budget is now fully-funded and our available cash will extend well into 2021. Moving forward, we will continue to strategically assess and leverage all of the funding mechanisms at our disposal, including our remaining investments and potential partnership opportunities to support the development of our OpRegen®, OPC1 and VAC2 programs, each of which may represent billion-dollar market opportunities in the emerging fields of cell therapy and immuno-oncology."

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. Lineage is also evaluating potential partnership opportunities for Renevia®, a facial aesthetics product that was recently granted a Conformité Européenne (CE) Mark. For more information, please visit www.lineagecell.com or follow the Company on Twitter [@LineageCell](https://twitter.com/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 and Lineage's planned spending for the year ending December 31, 2020. 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 in Lineage's filings with the Securities and Exchange Commission (the 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 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.

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