



1 June 2009

Dear shareholder,

Removal of U.S. Securities Law Legends and Constitution of Depositary Interests

CREST and Depositary Interests

Lifeline Scientific Inc. (the "**Company**") was floated on the AIM market of the London Stock Exchange on 7 January 2008. As a year has passed since the Company's admission to AIM, restrictions on transfer imposed under the U.S. Securities Act 1933 (the "**Securities Act**") can now be removed from certain qualifying securities in the Company ("**Qualifying Securities**"). This will allow interests in Qualifying Securities to be settled in electronic form within the CREST system as depositary interests.

CREST is a UK and Irish electronic paperless share transfer and settlement system that allows shares and other securities to be held in electronic rather than paper form. As the Company is not a UK or Irish company, transactions in its securities cannot be undertaken direct and electronically through CREST.

The Company has established a depositary interest facility with Computershare Investor Services PLC ("**Computershare**"), with effect from 26 May 2009, in terms of which Computershare will issue depositary interests to qualifying stockholders on a one-for one basis for each Qualifying Security in the Company held by that qualifying stockholder. Computershare will appear on the register of members of the Company as the stockholder but the beneficial interest and all rights in the stock will remain with the original stockholder. The benefit of dematerialisation is that the depositary interests can be held and transferred through CREST, thereby enhancing the liquidity of the Company's securities.

In order to exchange your securities for depositary interests and hold a position in CREST, a holder must have a CREST account, or have a relationship with a Broker who is able to hold stock in CREST on behalf of the holder in a nominee arrangement. In either case, the movement of shares into CREST is a straightforward exercise and can be achieved by the completion of a CREST Transfer Form which can be obtained from your own Broker, as described in the next paragraph.

Qualifying Securities and Next Steps

If you wish to hold your securities in electronic form, you will need to arrange for the legend to be removed from your current share certificate. To do so, you will have to sign the attached Letter of Transmittal and Declaration Form and return them, together with the legended share certificate, to Computershare Investor Services (Jersey) Limited confirming that your securities are Qualifying Securities (see definition below). Computershare will then arrange for a clean certificate to be reissued and sent to you. Upon receipt of the cleansed certificate, you will need to submit this to a UK Broker together with a completed CREST Transfer Form which is obtained from the Broker. Your Broker will then deposit your securities into CREST via the Crest Counter.

The securities held by you are "Qualifying Securities" if:

Chicago
2570 E. Devon Avenue
Des Plaines, IL 60018 USA
T 847.294.0300
F 847.294.0301
www.lifeline-scientific.com