

International Stem Cell Corporation begins its second pre-clinical phase of testing retinal pigment epithelium (RPE) derived from human parthenogenetic stem cells for treatment of retinal diseases

OCEANSIDE, Calif. – March 18, 2010 – International Stem Cell Corporation (OTCBB: ISCO), www.internationalstemcell.com, announced today that ISCO's Research and Therapeutic Development Group, together with a group of scientists from the University of California Irvine (UCI), is starting a second phase of essential pre-clinical experiments to test retinal pigment epithelium derived from parthenogenetic stem cells. Follow on pre-clinical experiments will be conducted to rescue vision in disease models.

Retinal pigment epithelium (RPE) has been derived from parthenogenetic stem cells by ISCO scientists in close collaboration with UCI scientists. The RPE cells will be tested for the presence of specific markers and for functional activity.

Retinal pigment epithelium plays a critical role in maintaining proper eye function. Loss of function or dysfunction of RPE is involved in a range of disabling eye conditions, particularly age-related macular degeneration (AMD) that is the major cause of vision loss in seniors.

Encouraging data from animal models have shown that visual degradation caused by AMD can be slowed through the transplantation of RPE. One of the major barriers for this therapy is the lack of sufficient RPE cells from suitable donated tissue.

According to Dr. Hans Keirstead, Professor of Anatomy and Neurobiology at the University of California, Irvine, “The derivation of RPE from stem cells will allow the availability of an unlimited source of RPE for transplantation.” Referring to the upcoming work with ISCO, Dr. Keirstead said, “This research will enable us to then test the ability of these cells to restore vision in rodent models of retinal degeneration.”

Dr. Nikolay Turovets, ISCO's Director of Research and Therapeutic Development says, “RPE derived from human parthenogenetic stem cells can overcome the problem of immune-matching for transplantation since ISCO's parthenogenetic stem cell lines can be made to carry the most common sets of immune genes found among various racial groups. That is why the differentiated derivatives from one hpSC line may be transplanted into millions of people.”

ABOUT INTERNATIONAL STEM CELL CORPORATION (ISCO.OB):

International Stem Cell Corporation is a California-based biotechnology company focused on therapeutic and research products. ISCO's core technology, *parthenogenesis*, results in creation of pluripotent human stem cells from unfertilized oocytes (eggs). hpSCs avoid ethical issues associated with the use or destruction of viable human embryos. ISCO scientists have created the first *parthenogenetic, homozygous stem cell line* that can be a source of immune-matched therapeutic cells to minimize immune rejection after transplantation into hundreds of millions of individuals of differing sexes, ages and racial groups. This offers the potential to create the first true stem cell bank, UniStemCell™, while avoiding the ethical

issue of using fertilized eggs. ISCO also produces and markets specialized cells and growth media for therapeutic research worldwide through its subsidiary Lifeline Cell Technology. More information is available at ISCO's website, www.internationalstemcell.com.

To subscribe to receive ongoing corporate communications please click on the following link: <http://www.b2i.us/irpass.asp?BzID=1468&to=ea&s=0>.

FORWARD-LOOKING STATEMENTS

Statements pertaining to anticipated technological developments and therapeutic applications, and other opportunities for the company and its subsidiary, along with other statements about the future expectations, beliefs, goals, plans, or prospects expressed by management constitute forward-looking statements. Any statements that are not historical fact (including, but not limited to statements that contain words such as "will," "believes," "plans," "anticipates," "expects," "estimates,") should also be considered to be forward-looking statements. Forward-looking statements involve risks and uncertainties, including, without limitation, risks inherent in the development and/or commercialization of potential products, uncertainty in the results of clinical trials or regulatory approvals, need and ability to obtain future capital, application of capital resources among competing uses, and maintenance of intellectual property rights. Actual results may differ materially from the results anticipated in these forward-looking statements and as such should be evaluated together with the many uncertainties that affect the company's business, particularly those mentioned in the cautionary statements found in the company's Securities and Exchange Commission filings. The company disclaims any intent or obligation to update these forward-looking statements.

Key Words: Stem Cells, Biotechnology, Parthenogenesis

CONTACTS:

International Stem Cell Corporation

Kenneth C. Aldrich, Chairman

760-940-6383

kaldrich@intlstemcell.com

Or

Brian Lundstrom, President

760-640-6383

bl@intlstemcell.com