

International Stem Cell Corporation Announces Launch Plans for New Skin Care Products

OCEANSIDE, California – October 14, 2010 - International Stem Cell Corporation (ISCO.OB), www.internationalstemcell.com, and a new firm to be formed by John Mauldin announced today the formation of a new joint marketing venture to launch a line of skin care products developed by ISCO's wholly owned subsidiary, Lifeline Skin Care, Inc. ("LSC"). Mauldin, a significant marketing talent, is president of Millennium Wave Investments and author of an economic letter that goes to over 1.5 million readers.

Lifeline Skin Care's products have been in active development for well over a year and involve a unique high-technology, patent pending formulation for skin rejuvenation crèmes, developed using ISCO's proprietary "parthenogenetic" stem cells that do not require the use of fertilized embryos. The product was discovered during ISCO's therapeutic stem cell research that revealed the stem cell's potential applications in skin cell rejuvenation. Part of the discovery included developing a way to surround the proteins from the stem cells with a nanovesicle allowing for extended shelf life and enhanced delivery of the product to the skin. Independent third party testing indicates that the crèmes (one for day and one for nighttime application) have significant positive effects on the look and feel of the skin.

"This represents an amazing leap forward in the combination of a variety of cutting edge technologies to yield products that have the potential to find significant consumer acceptance. The anti-aging market is extremely large, and Lifeline Skin Care is offering something completely new and different. We are excited about the prospects", said Kenneth Aldrich, Chairman of ISCO.

Because the LSC products involve a unique extract from living parthenogenetic stem cells, rather than "off the shelf" ingredients used by most skin care products, it takes additional time to manufacture the products. Building inventory in advance of demand is critical to avoid disappointing customers.

ISCO and LSC believe the collaboration with Mauldin will provide a much broader potential customer base and a much lower market cost per customer than the alternative marketing programs previously considered. As a result, LSC has revised its previously announced marketing launch plans to be certain that it will have adequate product on hand to meet initial demand.

The initial product offering will be to ISCO's own database of investors and followers, originally set to launch October and now scheduled for November to coordinate with Mauldin's timetable. That will be followed with an offering to Mauldin's extensive subscription base and to a select market of other potential purchasers.

Only after these initial offerings have been completed, involving a total of over 1.5 million potential customers, will more broad scale product offerings be made. “This will enable us to measure probable future demand, assure our loyal investors and Mauldin’s subscribers and affiliates that they will be able to purchase all the products they require while allowing LSC to build an inventory of the unique stem cell extract that is at the heart of this new product,” said Dr. Ruslan Semechkin, CEO of Lifeline Skin Care.

“We are extraordinarily excited to be able to offer LSC’s products to our loyal client base in a way that assures they will be able to obtain the product they want, plus monthly refills as required, in spite of the fact that LSC’s products are unique and require time and care by many people to bring to market,” said John Mauldin, founder and Chairman of Millennium. “This is a truly revolutionary approach to skin care. Early test results are very promising and I am excited to be associated with a company of the scientific reputation of International Stem Cell Corporation and their world-renowned staff.”

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). These proprietary cells avoid ethical issues associated with use or destruction of viable human embryos and, unlike most other major stem cell types, can be immune matched and be a source of therapeutic cells with minimal rejection after transplantation into hundreds of millions of individuals of differing racial groups. ISCO also produces and markets specialized cells and growth media for therapeutic research worldwide through its subsidiary, Lifeline Cell Technology, and is developing a line of cosmeceutical products via its subsidiary, Lifeline Skin Care. ISCO is advancing novel human stem cell-based therapies where cells have been proven to be efficacious but traditional small molecule and protein therapeutics have not. More information is available on ISCO's website, www.internationalstemcell.com.

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FORWARD-LOOKING STATEMENTS

Statements pertaining to anticipated developments and therapeutic applications, the potential benefits of collaborations, affiliations, and other opportunities for the company and its subsidiaries, 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 and the management of collaborations, 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 forward-looking statements.

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