



One Pierce Place, Suite 475W, Itasca, IL 60143 USA

(London AIM:LSI)

10th May 2010

Dear Investor

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. A this time, 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.

As the Company is not a UK or Irish company, transactions in its securities cannot be undertaken direct and electronically through CREST, therefore the Company has established a depositary interest facility with Computershare Investor Services PLC (“**Computershare**”). With effect from 26 May 2009 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.

The shares of the qualifying stockholder will be transferred into the name of Computershare Company Nominees Limited. The stockholder will remain the beneficial owner of the shares and will retain all rights in the stock. The benefit of dematerialisation into CREST 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 issued 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 arrange to deposit your share holding into CREST via the Crest Counter.

To hold your securities in electronic form, they must be “Qualifying Securities”. The securities held by you are “Qualifying Securities” if:

- (a) you are not an "affiliate"¹ of the Company within the meaning of Rule 144 under the Securities Act and that you have not been an affiliate during the three month period prior to the date of the certification; and
- (b) either:
 - (i) you have continuously held your securities for a period of at least 12 months; or
 - (ii) you acquired your securities from a seller that was not the Company or an affiliate of the Company, in a trade that occurred through the facilities of AIM and otherwise in an "offshore transaction" meeting the requirements of Rule 904 under the Securities Act, and the securities were not "restricted securities"² when you acquired them; or
 - (iii) the securities were "restricted securities" when you acquired them but, as from the date of the certification, a period of at least 12 months has passed since the securities were acquired from the Company or an affiliate of the Company and any restrictions indicated on the certificate representing the securities have lapsed.

You should contact Carol Cavey of Computershare on +44 1534 825 372 if you require further information in order to ascertain whether your securities are Qualifying Securities and for further information in relation to the process for removing restrictive legends from your share certificates and dematerialising your Qualifying Securities.

Yours sincerely,

Authorised Signatory,
for and on behalf of
Lifeline Scientific Inc.

Encs.:

(A) Letter of Transmittal

(B) Declaration Form

¹ The term "affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company, and generally includes officers, directors and 10% shareholders.

² The Common Shares would be "restricted securities" within the meaning of Rule 144 under the Securities Act if they had been acquired from the Company (or an affiliate of the Company) within the 12-months immediately preceding your acquisition of the Common Shares and would bear a legend describing the applicable restrictions.

(A) LETTER OF TRANSMITTAL

**Lifeline Scientific Inc. (the "Company")
Removal of Restrictive Legends
From Certificates
Representing Shares of the
Company's Common Stock ("Common Shares")**

Deliver To:

Computershare Investor Services (Jersey) Limited
Ordnance House, 31 Pier Road,
St Helier, Jersey, Channel Islands, JE4 8PW
T +44 1534 825 372
Attn: Carol Cavey
carol.cavey@computershareci.com

The instructions accompanying this Letter of Transmittal should be read carefully before this Letter of Transmittal is completed.

This Letter of Transmittal may be used by Eligible Holders of Common Shares to tender share certificates bearing restrictive legends (the "Old Certificates") for new certificates without a restrictive legend ("New Certificate"). The term "Eligible Holder" means any person in whose name an Old Certificate is registered on the books of the Company, or any person who holds such Old Certificates and has obtained a properly completed stock power who satisfies the eligibility criteria set out in the accompanying letter from the Company.

An Eligible Holder that tenders its Old Certificates along with a validly completed and executed Letter of Transmittal may, at its option:

- receive a new certificate without a restrictive legend (a "New Certificate") for safekeeping; or
- deposit its common stock into CREST, which is the electronic settlement system for the transfer of securities used in the United Kingdom. (pls refer to Instruction 3 on the process involved in depositing into CREST).

The undersigned Eligible Holder has completed executed and delivered this Letter of Transmittal to indicate the action the undersigned desires to take with respect to the removal of the restrictive legend from the undersigned's Old Certificates.

DESCRIPTION OF CERTIFICATES TENDERED (See Instruction 2)

Name(s) and Address(es) of Registered Holder(s) Exactly as Name(s) Appear(s) on Old Certificates (Please Fill In, If Blank)	Registered Number(s)	Number of Common Shares tendered / Aggregate No. of Common Shares Represented by Certificate

	Total	
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DISPOSITION OF COMMON SHARES TENDERED (See Instruction 3)
Number of Common Shares To Be Issued in a New Certificate

IF LEFT UNCOMPLETED THE DETAILS ON THE TENDERED CERTIFICATE WILL BE UNCHANGED ON THE NEW UNLEGENDED CERTIFICATE

Name of Eligible Holder: _____
 Address of Eligible Holder:
 Street Address: _____
 City and State: _____
 Zip Code: _____

Address to Which New Certificate should be delivered: (if this differs from the above)
 Street Address: _____
 City and State: _____
 Zip Code: _____

The undersigned hereby tenders to the Company the Old Certificate or Certificates indicated above for the purpose of exchanging such Old Certificates bearing restrictive legends for freely tradable securities, and, at the option of the undersigned, receive a New Certificate or Certificates for safekeeping without restrictive legends, or to deposit such freely tradable securities into CREST through their Broker.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender and exchange the Old Certificates tendered hereby, either for a New Certificate or Certificates or for deposit of the shares represented by the Old Certificates into CREST.

The undersigned will, upon request, execute and deliver any additional documents deemed by the Company to be necessary or desirable to complete the exchange of the Old Certificates tendered hereby.

LETTER OF TRANSMITTAL SIGNATURE PAGE (See Instruction 4)

(To Be Completed By All Eligible Holders)

Signature of Registered Holder(s)

This Letter of Transmittal must be signed in the spaces provided below by the registered holder(s) as the name(s) appear(s) exactly on the Old Certificates or by any person(s) authorized to become registered holder(s) by endorsements, stock powers and documents transmitted herewith.

X _____

X _____
Signature(s) of Owner **Date**

Area Code and Telephone Number _____

Email address (if applicable) _____

If signature is by a trustee, executor, administrator, guardian, officer or other person acting in a fiduciary or representative capacity, please set forth full title.

Name(s): _____

(Please Type or Print)

Capacity: _____

Address: _____

(Including Zip Code)

Taxpayer Identification or Social Security No.: _____

INSTRUCTIONS

1. DELIVERY OF THIS LETTER OF TRANSMITTAL

All Old Certificates, as well as a properly completed and duly executed copy of this Letter of Transmittal or facsimile hereof, and any other documents required by this Letter of Transmittal, must be delivered to the Company's transfer agent at the address set forth on the first page of this Letter of Transmittal.

The method of delivery of any required documents is at the election and risk of the tendering holder and will be deemed tendered only when actually received by the Company's transfer agent.

2. COMPLETION OF DESCRIPTION OF CERTIFICATES TENDERED TABLE

In the box to the far left, please fill in the exact name that appears on each Old Certificate being tendered.

In the column titled "Registered Number(s)," please fill in the stock certificate number on each Old Certificate being tendered.

In the column titled "Number of Share tendered / Aggregate No. of Common Shares Represented by Certificate", please fill in the number of common shares represented by each Old Certificate being tendered. On the last line of such column, please fill in the total number of common shares listed.

If additional space is needed, please provide additional copies of this table.

3. COMPLETION OF DISPOSITION OF COMMON SHARES TENDERED TABLE

Once you have tendered your Old Certificates along with a validly completed and executed Letter of Transmittal and Declaration, you will receive a New Certificate without a restrictive legend representing all of your shares. If you wish to hold your shares in certificated form you do not need to do anything else. For holders who wish to deposit all or any portion of your Common Shares into CREST, please follow the process which is detailed below. Please set forth the number of common shares you would like to be issued in a New UK Certificate without a restrictive legend.

The aggregate number of Common Shares listed in the column in this table should be equal to the number that appears in the "Total" line in the column titled "Number of Common Shares Tendered" in the "Description of Certificates Tendered" table.

In order to exchange common shares for Depositary Interests and hold a position in CREST, a holder must have a CREST account in their own name, or have a relationship with a UK broker/custodian who is able to hold stock 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 contacting their Broker who in turn will provide the relevant form. The holder must then submit the signed CREST transfer form together with the unlegended share certificate to their UK broker/custodian who will arrange for the shares to be deposited into CREST in the form of Depositary Interests.

4. SIGNATURES ON THIS LETTER OF TRANSMITTAL; STOCK POWERS AND ENDORSEMENTS; GUARANTEE OF SIGNATURES

The signature on the Letter of Transmittal must correspond exactly with the name as it appears on the Old Certificates without any change whatsoever.

If this Letter of Transmittal is signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and, unless waived by the Company, proper evidence satisfactory to the Company of their authority to so act must be submitted.

Signatures on this Letter of Transmittal need not be guaranteed if the Old Certificates are tendered: (i) by a registered holder of the Old Certificates and the registered holder will receive a New Certificate, or(ii) for the account of an eligible institution.

5. VALIDITY AND FORM

All questions as to the validity, form, eligibility and acceptance of tendered Old Certificates will be determined by the Company in its sole discretion, which determination will be final and binding. The Company reserves the right to waive any defects, irregularities or conditions of tender as to particular Old Certificates.

6. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES

Questions relating to the procedure for tendering, as well as requests for additional copies of this Letter of Transmittal, may be directed to Computershare at the address and telephone number set forth on the first page of this Letter of Transmittal.

(B) DECLARATION FORM
LIFELINE SCIENTIFIC, INC. ("LIFELINE")
Shareholder Certification for Issuance of Lifeline Depositary Interests

Important Notice regarding this Certification:

(1) No shareholder will be permitted to deposit shares of common stock in exchange for Depositary Interests until this Certification has been signed and returned to Computershare Investor Services (Jersey) Limited, P.O. Box 83, Ordnance House, 31 Pier Road, St. Helier, Jersey JE4 8PW.

Investor Helpline: +44-1534-825-337/ Fax: +44-1534-825-315.

(2) This Certification may only be used for shares of the Company's common stock that are not "restricted securities" within the meaning of Rule 144 under the US Securities Act of 1933, as amended. In all cases, a shareholder may only transfer the shares of common stock in accordance with the restrictive legend appearing on the certificates representing such shares and applicable law.

(3) The Company will inform Computershare which shares are eligible for conversion into depositary interests. No other securities of the Company may be converted into depositary interests.

Lifeline Scientific, Inc.
One Pierce Place, Suite 475W
Itasca, IL 60143
USA
Attention: Lisa Kieres

Computershare Investor Services (Jersey) Limited ("**Computershare**")
Ordnance House, 31 Pier Road
St Helier, Jersey, Channel Islands JE4 8PW
Facsimile: +44-1534-825-372
Attention: Carol Cavey

Dear Sir / Madam,

The undersigned (the "**Holder**") requests that Computershare issue stated number of shares that represent the Holders shares of common stock.

The Holder is the holder _____share (the "**Shares**") of the Company's common stock, represented by certificate number(s)_____.

1) The Holder hereby certifies to the Company and Computershare as of the date hereof that:

a) it is not an "affiliate"³ of the Company within the meaning of Rule 144 under the United States Securities Act of 1933, as amended (the "US Securities Act" and has not been an affiliate during the three month period prior to the date hereof: AND

b) either:

i) the Holder has continuously held the Shares for a period of at least 12 months; OR

³ The term "affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company, and generally includes officers, directors and 10% shareholders. In the event of any questions, independent legal advice should be obtained regarding affiliate status.

ii) the Holder acquired the Shares from a seller that was not the Company or an affiliate of the Company, in a trade that occurred through the facilities of AIM and otherwise in an "offshore transaction" meeting the requirements of Rule 904 under the US Securities Act, and the Shares were not "restricted securities" when acquired by the Holder⁴; OR

ii) the Shares were "restricted securities" when acquired by the Holder but, as of the date hereof, a period of at least 12 months has passed since the Shares were acquired from the Company or an affiliate of the Company and any restrictions indicated on the certificate representing the Shares have lapsed.

2) If the Holder becomes an affiliate of the Company after the date hereof, the Holder agrees to take all steps necessary to immediately re-materialise any Depositary Interests if applicable held by it and to ensure that any Shares held by the Holder are represented by a share certificate in certificated form bearing such restrictive legends as the Company may require regarding the Holder's affiliate status in accordance with US Securities Act and applicable law.

3) The Holder understands and agrees that the Company and Computershare will be under no obligation to comply with the Holder's request that the Shares be converted into uncertificated form for the purposes of trading on AIM and may request any additional information they deem necessary to confirm the foregoing certifications.

4) The Company, Computershare and their agents, attorneys and representatives may rely on the foregoing certifications and covenants. The Holder will indemnify and hold harmless the Company, Computershare and their agents, attorneys and representatives from and against any and all loss, damage, claim, liability and expense arising out of or resulting from any breach or inaccuracy in any certification or covenant herein.

Very truly yours,

By:

Name:

Title:

Date:

⁴ The Shares would be "restricted securities" within the meaning of Rule 144 under the Securities Act if they had been acquired from the Company (or an affiliate of the Company) within the 12-months immediately preceding the Holder's acquisition of the Shares and would bear a legend describing the applicable restrictions. The Holder should obtain independent legal advice regarding whether the Shares are "restricted securities" and/or whether the Shares are subject to any restrictions on transfer.