

ASX Announcement

Medibio Limited – 21 July 2017

Unmarketable Parcel Share Sale Facility

Sydney, Australia and Minneapolis, MN – 21 July 2017: Medibio Limited (ASX:MEB) (OTCQB:MDBIF) (MEB or the Company) announces that it has established a Share Sale Facility (Facility) for holders of Unmarketable Parcels of shares in the Company.

The Australian Securities Exchange (ASX) Listing Rules defines an “Unmarketable Parcel” of shares as those with a market value of less than \$500. As at the market close on 17 July 2017 (Record Date) an Unmarketable Parcel of shares in MEB is any shareholder of 1,428 ordinary shares or less, based on the closing price of \$0.35 per share.

The Facility is being established in accordance with the ASX Listing Rules and the Company’s Constitution. This allows the Company to sell the MEB shares of a shareholder who holds an Unmarketable Parcel of shares if the shareholder does not elect to opt-out.

The Company is providing the Facility to shareholders of Unmarketable Parcels to sell their shares without incurring any brokerage or handling costs that could otherwise make a sale of their shares uneconomic. The Company will organize remittance of sale proceeds for those shareholders who participate in the Facility. By making this Facility available, the Company expects to reduce administrative costs associated with maintaining a large number of small shareholdings.

The sale price will be determined once all of the shares under the Facility are sold. Each shareholder will receive their proportionate share of the total sale proceeds for all shares sold under the Facility without brokerage or handling costs.

Timetable

Unmarketable Parcel Record Date	7.00 pm (AEST) on July 17, 2017
Unmarketable Parcel announcement to ASX	July 21, 2017
Letters sent to shareholders holding Unmarketable Parcels	July 21, 2017
Closing Date for receipt of Share Retention Form	5:00 pm (AEST) on September 12, 2017

Attached is a copy of the Letter and Information Pack sent to all shareholders holding an Unmarketable Parcel of the Company’s shares as at the Record Date.

About Medibio Limited

Medibio (ASX: MEB) (OTCQB: MDBIF) is a digital health company that has developed an objective test to assist in the diagnosis of depression, chronic stress and other mental health disorders. Based on research conducted over 15 years at the University of Western Australia, this test utilises patented (and patent pending) circadian heart rate variability and cloud based proprietary algorithms to deliver a quantifiable measure to assist in clinical diagnosis. Medibio’s depression diagnostic is being validated in clinical studies undertaken by Johns Hopkins University School of Medicine and The University of Ottawa, among others.

The clinical trials will support Medibio's application to become the first FDA approved, objective, and evidence based approach to the diagnosis of mental health disorders. Medibio's technology also provides an objective method for the assessment of stress and mental wellbeing that can be translated to the workplace stress/wellbeing market, wearable technology and App market. Medibio was founded in Perth, Australia with offices in Melbourne (VIC), and U.S. offices in Minneapolis, MN and Palo Alto, CA. Medibio is listed on the Australian Securities Exchange Ltd (ASX) and trades on the OTCQB Venture Market. Investors can find Real-Time quotes and market information for the company on www.otcmarkets.com and www.asx.com.au.

To learn more about Medibio visit www.Medibio.com.au.

– ENDS –

Further Information:		Website: www.medibio.com.au	
Medibio Shareholder Enquiries: Jack Cosentino CEO and Managing Director Medibio Limited jack.cosentino@medibio.com.au T: +1 (952) 465 4787		Australian Media Enquiries: Peter Taylor NWR Communications peter@nwrcommunications.com.au T: +61 (0) 412 036 231	

21 July 2017

UNMARKETABLE PARCEL SALE FACILITY

Medibio Limited (ACN 008 130 336) (**Company** or **MEB**) today announced an unmarketable parcel sale facility for holders of unmarketable parcels of the Company's shares.

The ASX Listing Rules define an unmarketable parcel to include a parcel of shares with a market value of less than A\$500. As at 5:00 pm (AEST) on 17 July 2017 (**Record Date**), an unmarketable parcel of shares is any shareholding of 1,428 ordinary shares or less, based on the closing price of \$0.35 on the Record Date. This represents 609,119 ordinary shares, held by 1,968 shareholders (**Minority Members**).

The Company is offering this sale facility to assist holders of unmarketable parcels to sell shares without having to use a broker or pay brokerage. The Company will pay for all the costs of the sale for shareholders who use this facility, excluding tax consequences from the sale which remains the shareholder's responsibility.

The Company values all of its shareholders, however, it incurs significant administrative costs maintaining such a large number of unmarketable parcels. By facilitating this sale, the Company expects to reduce the administrative costs associated with maintaining a large number of very small holdings. Shareholders who own 1,428 shares or more will not be eligible to participate.

If Minority Members wish to sell shares through this facility, they do not need to take any action. If Minority Members **do not** wish to sell shares through this facility, they **must** complete and return the notice of retention form to the Company's share registry, Computershare Limited, by 5:00pm (AEST) on 12 September 2017 (**Retention Date**).

Upon the sale of the unmarketable parcel shares by the appointed broker, proceeds shall be forwarded to eligible shareholders as soon as practicable.

Attached is a copy of the letter and the notice of retention form that is currently being mailed to shareholders that are holding an unmarketable parcel of shares on the Record Date.

Yours sincerely



For and on behalf of Medibio Limited
Robert Lees
Company Secretary

Dear Shareholder

IMPORTANT NOTICE – SALE OF YOUR UNMARKETABLE PARCEL OF SHARES

We are writing to advise you that Medibio Limited (**Company**) has established a share sale facility (**Facility**) for holders of parcels of Company shares with a market value of less than A\$500 (**Unmarketable Parcels**) as at close of trade on 17 July 2017. The Facility is being established in accordance with the ASX Listing Rules and the Company's Constitution.

The Company is offering the Facility to assist holders of Unmarketable Parcels to sell their shares. Holders of Unmarketable Parcels who take advantage of the Facility will have their shares sold without having to act through a broker or pay brokerage fees. The Company will also organise payment of the other costs associated with the sale and transfer (although any tax consequences from the sale of your shares will be your responsibility).

By facilitating the sale of unmarketable parcels the Company expects to reduce the administrative costs associated with maintaining a large number of small shareholdings.

Our records show that you held an Unmarketable Parcel of 1,428 shares or less based on the Company share price of A\$0.35 as at close of trade on 17 July 2017 (**Record Date**). Unless you advise the Company that you do NOT wish to sell your shares through the Facility by 5:00pm (AEST) on 12 September 2017 (**Retention Date**), or unless your shareholding is not an Unmarketable Parcel on the Retention Date, the Company intends to sell your shares through the Facility. Payment will be sent to you following settlement of the sale or otherwise as soon as is practicable.

Please also note that the Company will not sell your shares in the event that a third party announces a takeover offer for the Company. Consistent with its continuous disclosure obligations, the Company may release to the ASX information that may be material to a shareholder's decision as to whether they wish to retain their shares. This information will, if released, be available on the ASX website www.asx.com.au (ASX code "MEB") and on the Company's website <http://www.medibio.com.au/>.

What should you do?

If you do **NOT** wish to sell your shares through the Facility, you must complete and return the **attached** form to the address on the form so that it is received by 5:00pm (AEST) on 12 September 2017. Please read the instructions on your personalised Share Retention Form carefully before completing it.

If you want to sell your shares through the Facility, you do not need to take any action. By refraining from taking any action, after the Retention Date, you will be deemed to have irrevocably appointed the Company as your agent:

- (a) to sell all of your shares at a price to be determined by when and how the shares are sold, and without any cost being incurred by you; and

(b) to deal with the proceeds of the sale as set out in the **attached** information sheet.

If you need help deciding what to do, or if you require information regarding the financial, legal or tax consequences of participating in the Facility you should consult your legal, financial or taxation adviser.

The **attached** information sheet sets out further details of the Facility, which you should read before making any decision.

If you have any queries about lodging your form or the practical operation of the Facility please contact the undersigned on telephone: +61 2 9299 9580 or by email to rob.lees@medibio.com.au.

Yours sincerely



For and on behalf of Medibio Limited
Robert Lees
Company Secretary

1. WHAT IS AN UNMARKETABLE PARCEL OF SHARES?

An unmarketable parcel of shares is a holding of Company shares valued at less than A\$500 as at close of trade on the Record Date. Based on the price of Company shares at the Record Date, this is a holding of 1,428 shares or less.

2. WHAT PRICE WILL I RECEIVE FOR SHARES SOLD THROUGH THE FACILITY?

The price that you receive for your shares under the Facility will be determined by when and how the shares are sold. The Company may sell your shares on market or in any other way they consider fair and reasonable in the circumstances. If the shares are sold on market the price will depend on a number of factors, including market conditions at the time of sale. You will not have control over the time at which your shares are sold, the price you receive may be different from the price appearing in the newspaper or quoted by ASX on any day, may not be the best price on the day that your shares are sold and may be an average price per share based on the price obtained for all the shares sold under the Facility. If the Company sells your shares other than on market, the price will be the price that the Company has been able to negotiate with the acquirer or acquirers.

3. WHAT IS THE PRICE OF MEDIBIO LIMITED SHARES?

The last sale price of Company shares on 19 July 2017 was A\$0.35. The share price changes frequently and more recent prices are available from the ASX website (www.asx.com.au) under the ASX code "MEB".

4. WHEN WILL THE PROCEEDS FROM THE SALE OF SHARES BE SENT TO ME?

Payment will be sent to you following settlement of the sale or otherwise as soon as is practicable. Payment will be made in Australian dollars by cheque. You will be notified by way of a transaction confirmation statement of the number of your shares sold, and the price and total sale proceeds. The cheque will be sent by post to your address as shown in the share register at the time the share sale payment is run.

5. IF I BUY MORE SHARES, WILL I RETAIN MY HOLDING?

Yes, the Company will treat any purchase of additional shares that increases the value of a Company shareholding to more than A\$500 as an indication that you do not want your shares to be sold through the Facility. For a purchase to be an effective notification that you wish to retain your shares, any additional shares purchased must be registered by 5:00pm (AEST) on 12 September 2017 under the same name and address and with the same holder number (SRN or HIN) as set out in this letter.

6. WHAT IF MY SHARES ARE HELD IN A CHESS HOLDING?

If your shares remain in a CHESS holding at 5:00pm (AEST) on 12 September 2017, the Company may move those shares to an issuer sponsored holding and the shares will be sold through the Facility.

7. WHERE CAN I GET FURTHER INFORMATION?

If you have any questions concerning your shareholding or how the Facility will be administered, please contact the Company Secretary on telephone +61 2 9299 9580 or by email to rob.lees@medibio.com.au.

8. IMPORTANT NOTES

The Company reserves the right to change any of the dates referred to in this letter by notice to the ASX.

The letter does not constitute advice nor a recommendation to buy, sell or hold shares nor that the Facility is the best way to sell Company shares.

If you are in any doubt about what to do, you should consult your legal, financial or taxation adviser.

NOTE:

If you currently have more than one holding on the Company share register, you may wish to consider amalgamating them. This may result in your amalgamated holding no longer being an Unmarketable Parcel. Under these circumstances your shares will not be sold as part of this Facility.



By Mail:

Computershare Investor Services Pty Limited
GPO Box 2115 Melbourne
Victoria 3001 Australia

For all enquiries:

Phone:



Company Secretary
T: +61 2 9299 9580

or

M: 0411 494 406



Email:

rob.lees@medibio.com.au

MEB

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Share Retention Form



If you wish to retain your shares, your form must be received by Tuesday, 12 September 2017

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Shareholding Details

Use this form if you wish to retain your shares in Medibio Limited. If you have recently bought or sold shares your shareholding may differ from that shown. If you have already sold all your shares in Medibio Limited, do not complete or return this form. If you have more than one shareholding on Medibio Limited's register and you do not wish to sell your shares under the Small Shareholding Sale Facility, you should consider consolidating them. For further advice on how to do this, contact Computershare Investor Services Pty Limited (CIS) on the number above.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored shareholding, please contact your Controlling Participant to notify a change of address.

Step 2: Signing Instructions

Individual: Where the shareholding is in one name, the shareholder must sign.

Joint Shareholding: Where the shareholding is in more than one name, all of the shareholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the shareholding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

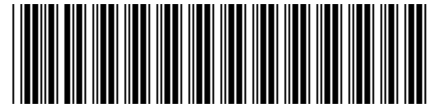
Overseas Companies: Where the shareholding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: Where the shareholding is in the name of a deceased estate, all executors must sign; and a certified copy or original, of the required documentation must accompany this form. Details of the documentation required can be found by searching "deceased estates" on our website www.computershare.com or by calling Computershare Investor Services Pty Limited on 1300 850 505 or +61 3 9415 4000. If the shareholding is in more than one name the surviving shareholder may sign the form and return it together with a certified copy of the death certificate of the other joint shareholder.

Step 3: Contact Details

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form ➔



I 1111111111

I ND

Share Retention Form

STEP 1**Shareholding Details**

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAPLETOWN NSW 2001



Change of address. If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.

Shares held as at Monday, 17 July 2017:

2000

STEP 2**Signature of Shareholder(s)**

This section must be completed.

By signing and returning this form, in accordance with the requirements set out in 'Step 2: Signing Instructions' overleaf, I/we confirm that I/we understand that my/our **SHARES WILL NOT BE SOLD** under the Small Shareholding Sale Facility.

Individual or Shareholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Shareholder 2

Director

Shareholder 3

Director/Company Secretary
(cross out titles as applicable)

STEP 3**Contact Details**

Contact
Name

Contact
Daytime
Telephone

Date / /

Email

Address

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.