

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Medibio Limited

ABN

58 008 130 336

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | (a) Ordinary Shares
(b) & (c) Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 16,597,211 Ordinary shares
(b) 1, 500,000 Options
(c) 3,500,000 Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (a) Ordinary Fully Paid Shares
(b) Options exercisable at \$0.40 expiring 30 Nov 2018
(c) Options exercisable at \$0.48 expiring 30 Nov 2019 |

+ See chapter 19 for defined terms.

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|--|--|
| <p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>(a) Yes, the Shares issued rank equally in all respects from the date of issue with the existing quoted fully paid ordinary shares of the Company.</p> <p>(b) & (c) No, however Shares issued upon exercise of the options will rank equally in all respects from the date of issue with the existing quoted ordinary fully paid shares of the Company.</p> |
| <p>5 Issue price or consideration</p> | <p>\$0.20 per share – 600,000 shares
\$0.30 per share – 379,052 shares
\$0.321 per share – 187,189 shares
\$0.330 per share – 121,212 shares
\$0.338 per share – 55,460 shares
\$0.357 per share – 7,023 shares
\$0.40 per share – 15,247,275 shares
\$nil – 5,000,000 options</p> |

+ See chapter 19 for defined terms.

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>To raise additional working capital to:</p> <ul style="list-style-type: none"> • undertake studies to provide the clinical data to support FDA & CE Mark filings & the associated regulatory work for these filings. • allocate a significant budget to its Workplace Mental Wellness product for commercialisation as well as the potential Consumer Mental Wellness product, and • the flexibility to retire the US\$2.5m Convertible Note early which would leave the company debt free & simplify the capital structure, <p>by the issue of 13,622,275 shares at \$0.40</p> <p>Payment for services approved at AGM, 29 November 2016 by Resolutions 9, 10 12 and 13. Satisfied by the issue of 1,974,936 shares at \$0.20 to \$0.40</p> <p>Payment for services of consultant/contractors by the issue of 1,000,000 shares at \$0.40</p> <p>5,000,000 options issued to brokers pursuant to capital raising mandate</p>
6a	Is the entity an ⁺ eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the ⁺ securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	29 November 2016
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	7,206,257
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	12,416,018

⁺ See chapter 19 for defined terms.

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6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	1,974,936	
6f	Number of securities issued under an exception in rule 7.2	Nil	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	The issue (made in 2 tranches) was announced 18 November 2016 and issued 25 November 2016 and 5 December 2016. The 15 day VWAP was \$0.445053 and 75% is \$0.3338 Source is Iress	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	n/a	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1 – 1,831,601 7.1A – nil	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	5 December 2016	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		148,368,619	Ordinary Fully Paid Shares
		Number	+Class

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9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in section 2 if applicable)	9,000,000	Options exercisable at \$0.10 expiring 1 April 2018
		5,833,333	Options exercisable at \$0.30 expiring 1 April 2017
		3,000,000	Options - exercise price \$0.40, expire 3 years after issue & vest - 28 August 2016
		1,500,000	Options - exercise price \$0.60, expire 3 years after issue & vest - 28 February 2017
		1,500,000	Options - exercise price \$0.80, expire 3 years after issue & vest - 28 August 2017
		1,500,000	Options - exercise price \$0.40, expire 30 November 2018
		3,500,000	Options - exercise price \$0.48, expire 30 November 2019
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)		

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the ⁺ securities will be offered	
14	⁺ Class of ⁺ securities to which the offer relates	
15	⁺ Record date to determine entitlements	

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|----|---|--|
| 16 | Will holdings on different registers (or sub-registers) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | <p>Names of countries in which the entity has ⁺security holders who will not be sent new issue documents</p> <p><small>Note: Security holders must be told how their entitlements are to be dealt with.</small></p> <p><small>Cross reference: rule 7.7.</small></p> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |

⁺ See chapter 19 for defined terms.

28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	
33	⁺ Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) ☒ Securities described in Part 1
- (b) ☐ All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

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- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
- If the additional securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
-
- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another security, clearly identify that other security)
-
- | | |
|--------|--------|
| Number | +Class |
|--------|--------|

+ See chapter 19 for defined terms.

42	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 38)		
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Quotation agreement

1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those ⁺securities should not be granted ⁺quotation.
- An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 5 December 2016
(Company secretary)

Print name: Robert Lees

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⁺ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for⁺eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	98,221,347 Shares
Add the following: <ul style="list-style-type: none"> Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid ordinary securities issued in that 12 month period with shareholder approval Number of partly paid ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	499,545 Shares issued 31 January 2016 500,000 Shares 29 June 2016 Option conversion 863,342 Shares 2 September 2016 \$0.10 Option conversion 4,000,000 Shares 7 October 2016 \$0.10 Option conversion 500,000 Shares 27 October 2016 \$0.10 Option conversion 833,334 Shares 2 November 2016 \$0.30 Option conversion 1,746,729 shares issued 31 January 2016 4,479,186 shares issued 28 April 2016 10,541,757 shares issued 24 November 2016 under LR7.1A approved 30 Nov 2015 AGM Share issues approved 29 Nov 16 AGM 55,460 shares issued – Resolution 9 129,630 shares issued – Resolution 10 1,339,300 shares issued – Resolution 12 450,546 shares issued – Resolution 13
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	-
“A”	124,160,176

⁺ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	18,624,026
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>9,586,168 shares issued Tranche 1 - 24 November 2016</p> <p>1,206,257 shares issued Tranche 2 - 5 December 2016</p> <p>1,500,000 Options – expiring 30 Nov 19 exercisable \$0.48</p> <p>3,500,000 Options – expiring 30 Nov 19 exercisable \$0.48</p> <p>1,000,000 shares issued under LR7.1</p>
“C”	16,792,425
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	18,624,026
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	16,792,425
Total [“A” x 0.15] – “C”	<p>1,831,601</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	124,160,176
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	12,416,018
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	12,416,018 Shares issued 5 December 2016 – AGM 29 Nov 2016
“E”	12,416,018

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	12,416,018
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	12,416,018
Total [“A” x 0.10] – “E”	nil <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.