

ASX Announcement

Medibio Limited – 27 May 2020



Medibio Settles Joint Venture Dispute

Melbourne, Australia and Minneapolis, MN – 27 May 2020: Medibio Limited (MEB or the Company)(ASX: MEB)(OTCPINK: MDBIF), a health technology company today announces that it has reached a full and final settlement of a dispute with Dr Paul Porter in relation to a joint venture agreement that was executed by the Company's previous management in April 2017.

In 2019 Dr Porter issued proceedings in the Supreme Court of Western Australian claiming damages for the Company's wrongful termination of the joint venture agreement (**Dispute**).

Further to the announcement on 17 June 2019, the Company is pleased to confirm that the Dispute has been negotiated on mutually beneficial terms under a Deed of Settlement and Release and consent orders will soon be filed with the Supreme Court of Western Australia dismissing the proceedings.

Discussions between the Company's Managing Director, Mr Claude Solitario and Dr Porter were always entered into in good faith and undertaken at all times with utmost respect by both parties. Mr Solitario and Dr Porter agreed to resolve the Dispute without any admission of liability in the interests of avoiding costs and delay of further litigation, and both parties have released each other in full from all claims in relation to the Dispute.

In consideration for a full and final release of the Company from all claims in relation to the Dispute, Dr Porter will receive a cash payment as a contribution to legal fees as well as:

- 15,000,000 fully paid ordinary shares in the Company at an issue price of \$0.01 (escrowed for a period of 6 months from the date of issue); and
- 7,500,000 options which are exercisable up to 24 months from the date of issue at an exercise price of \$0.03 per option. Each option entitles the option holder to subscribe for one fully paid ordinary share in the Company.

Medibio is pleased to have resolved this matter in a constructive way, which has given the Company the opportunity to undertake research with Dr Porter in the future. To this end, the Company is pleased to confirm the parties have agreed to continue discussions in good faith and re-visit the work that Dr Porter was undertaking in relation to the research, development and commercialization of biomedical technology to better identify and assist in managing depression in adolescents.

Managing Director of Medibio, Mr Claude Solitario says: *"There is a very high prevalence of mental disorders in young people aged 15-24 years. Indeed, suicide remains the leading cause of death in young people of this age group. The early identification and management of depression in adolescents is of paramount importance and Medibio is pleased to be involved in such a worthwhile study with a medical specialist the calibre of Dr Porter. Medibio stands to greatly benefit from Dr Porter's association with the Company"*.

– ENDS –

This announcement is authorised for release to the market by the Board of Directors of Medibio Limited

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About Medibio Limited

Medibio (ASX: MEB) (OTCPINK: MDBIF) is a health technology company pioneering the use of objective measures to aid in the early detection and screening of mental health conditions. Through their Corporate Health product, the Company offers mental well-being solutions for businesses and are also developing products to serve the healthcare provider market. The company was founded in Australia, with offices located in Melbourne (Vic) and U.S. offices in Minneapolis, MN. Medibio is listed on the Australian Securities Exchange Ltd and trades on the OTC Pink Open Market. Investors can find additional information on www.otcmarkets.com and www.asx.com.au.

Further information
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