

MEDIBIO LIMITED

ABN 68 008 130 336

NOTICE OF ANNUAL GENERAL MEETING

to be held on

Date: Tuesday 29 November 2016

Time: 10:30 am

At: UNSW City Campus
Level 6
1 O'Connell Street,
Sydney NSW 2000

IMPORTANT INFORMATION

*This is an important document that should be read in its entirety.
If you do not understand it you should consult your professional advisors without delay.*

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting of Medibio Limited ACN 008 130 336 (**Company**) will be held at UNSW City Campus, Level 6, 1 O'Connell Street, Sydney NSW 2000 on Tuesday 29 November 2016 at 10:30am.

AGENDA

To receive and consider the financial report and the reports of the directors and of the auditor for the financial year ended 30 June 2016 and to discuss Company performance and prospects

To receive and consider the Financial Report, Director's Report and Independent Audit Report for the Company for the financial year ended 30 June 2016 and to receive information from the Executive Directors about the Company's performance and future prospects.

Resolution 1 – Adoption of the Remuneration Report for the year ended 30 June 2016

To consider and if thought fit, to pass the following resolution as a **non-binding ordinary resolution** under section 250R(2) of the Corporations Act 2001:

“That the Remuneration Report for the year ended 30 June 2016 is hereby adopted.”

- Notes:
- (1) *This resolution is advisory only and does not bind the Company or the directors.*
 - (2) *If 25% or more of votes that are cast are voted against the remuneration report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a 'spill resolution') that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must stand for re-election.*

Resolution 2 – Election of Franklyn Prendergast as a director

To consider and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Franklyn Prendergast, who retires in accordance with clause 3.3 of the Company's Constitution, and being eligible to stand for re-election as a director of the Company, be re-elected as a director of the Company.”

Resolution 3 – Approval of additional placement under ASX Listing Rule 7.1A

To consider and, if thought fit, pass the following as a **special resolution** of the Company:

“That in accordance with ASX Listing Rule 7.1A, and for all other purposes, approval be given for the Company to issue Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, to be issued on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Resolution 4 – Ratification of prior issue of Shares to a professional and sophisticated investor

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 502,641 Shares in the Company to a professional and sophisticated investor on the terms and conditions as detailed in this Notice of Meeting, be and is hereby ratified and approved.”

Resolution 5 – Ratification of prior issue of Shares to a Professional advisor

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 1,000,000 Shares in the Company to a professional advisor under a service agreement on the terms and conditions as detailed in this Notice of Meeting, be and is hereby ratified and approved.”

Resolution 6 – Ratification of prior issue of Shares to various contractors and service providers

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 269,088 Shares in the Company to various contractors and service providers as payment for services on the terms and conditions as detailed in this Notice of Meeting, be and is hereby ratified and approved.”

Resolution 7 – Ratification of prior issue of Shares to acquire Patents

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the previous issue of 4,000,000 Shares in the Company to acquire various patents relevant to the Companies product development on the terms and conditions as detailed in this Notice of Meeting, be and is hereby ratified and approved.”

Resolution 8 – Ratification of prior the issue of Shares to various contractors and service providers

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval is given for the Company to issue up to 479,186 Shares to various contractors and service providers on the terms and conditions as detailed in this Notice of Meeting, be and is hereby ratified and approved.”

Resolution 9 – Approve the issue of Shares to Mr Christopher Charles Indermaur in part satisfaction of Directors fees

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue 55,460 Shares in the Company at an issue price of \$0.338 as partial payment of director's fees to Mr Christopher Charles Indermaur on the terms and conditions described in the Explanatory Memorandum."

Resolution 10 – Approve the issue of Shares to Mr Christopher Charles Indermaur in part satisfaction of Directors fees for the financial year ending 2017

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue \$18,750 of Shares in the Company as partial payment of director's fees to Mr Christopher Charles Indermaur on the terms and conditions described in the Explanatory Memorandum."

Resolution 11 – Approve the issue of Shares to Dr Franklyn Prendergast in part satisfaction of Directors fees

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 129,630 Shares to Dr Franklyn Prendergast at an issue price of \$0.30 as partial payment of director's fees to Dr Franklyn Prendergast on the terms and conditions set out in the Explanatory Memorandum."

Resolution 12 – Approve the issue of Shares to various contractors and consultants

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.3 and for all other purposes, approval is given for the Company to issue up to 1,339,299 Shares to various contractors and consultants as remuneration under their service contracts on the terms and conditions set out in the Explanatory Memorandum."

Resolution 13 – Approve the issue of Shares to various employees

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.3 and for all other purposes, approval is given for the Company to issue up to 464,450 Shares in the Company to various employees on the terms and conditions set out in the Explanatory Memorandum."

Please refer to the Explanatory Statement for details of these resolutions.

VOTING EXCLUSIONS

In accordance with Listing Rules 14.11, the Company will disregard any votes cast on each Resolution (as applicable) by:

Resolution 1 – Remuneration Report	A member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report and a Closely Related Party of such a member
Resolution 3 – Approval of Additional 10% placement under ASX LR7.1A	A person who may participate in the proposed issue and persons who may obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the Resolution is passed, and any of that person's associates.
Resolution 4 – Ratification of prior issue of shares to professional and sophisticated investors	A person who participated in the issue and any of that person's associates.
Resolution 5 – Ratification of prior issue of shares to a Professional advisor	A person who participated in the issue and any of that person's associates.
Resolution 6 – Ratification of prior issue of shares to various contractors and service providers	A person who participated in the issue and any of that person's associates.
Resolution 7 – Ratification of prior issue of shares to acquire Patents	A person who participated in the issue and any of that person's associates.
Resolution 8 – Ratification of prior issue of shares to various contractors and service providers	A person who participated in the issue and any of that person's associates
Resolution 9 – Approve the issue of Shares to Mr Christopher Indermaur in part satisfaction of Directors fees	Mr Christopher Indermaur and any of that person's associates.
Resolution 10 – Approve the issue of Shares to Mr Christopher Indermaur in part satisfaction of Directors fees for the financial year ending 2017	Mr Christopher Indermaur and any of that person's associates.
Resolution 11 – Approve the issue of Shares to Dr Franklyn Prendergast	Dr Franklyn Prendergast and any of that person's associates.
Resolution 12 – Approve the issue of Shares to various contractors and consultants	A person who may participate in the issue and any of that person's associates.
Resolution 13 – Approve the issue of Shares to various employees	A person who may participate in the issue and any of that person's associates.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Under section 224 of the Corporations Act, a vote must not be cast by or on behalf of a related party of the public company to whom the resolution would permit a financial benefit to be given, or an associate of such a related party.

PROXY INSTRUCTIONS

A member who is entitled to vote at a meeting may appoint:

- One proxy if the member is only entitled to one vote; or
- One or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged at or sent by facsimile transmission (Fax # +61 2 9299 9501) to the Company's office at Level 6, 50 Clarence Street, Sydney NSW 2000 or by email to the Company Secretary – rob.lees@medibio.com.au - not less than 48 hours before the time for holding the Annual General Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed (or otherwise authenticated in a manner prescribed by the Corporations Regulations) by the member or their attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. Proxies given by foreign companies must be executed in accordance with the laws of their place of incorporation. The proxy may, but need not, be a member of the Company. A proxy form is attached to this Notice.

VOTING INSTRUCTIONS

Medibio Limited (as convener of the Meeting) has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of members as at 5:00 pm (Sydney time) on 28 November 2016.

VOTING INTENTIONS

In respect of undirected proxies, subject to any voting exclusions as listed above, the Chairman intends to vote in favour of all resolutions on the agenda.

Amendments to the Corporations Act applying to proxy voting for this Meeting mean that:

- If proxy holders vote, they must cast all directed proxies as directed; and
- Any directed proxies which are not voted will automatically default to the Chairman of the Meeting, who must vote the proxies as directed.

Proxy vote if appointment specifies way to vote

The new section 250BB provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
- if the proxy has two or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the Chairman of the Meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the Chairman of the Meeting – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

The new section 250BC provides that;

- if an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the Chairman of the Meeting; and
- at the Meeting, a poll is duly demanded on the resolution; and
- either the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,the Chairman of the Meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at that meeting.

Dated: 24 October 2016

By order of the Board



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Robert Lees
Company Secretary

EXPLANATORY MEMORANDUM

This explanatory memorandum has been prepared to assist shareholders with their consideration of the resolutions to be put to the Annual General Meeting to be held at 10:30am on Tuesday 29 November 2016. This explanatory memorandum should be read with, and form part of, the accompanying Notice of Annual General Meeting.

To receive and consider the financial report and the reports of the directors and of the auditor for the financial year ended 30 June 2016

The Medibio Limited Annual Report 2016 (which includes the financial report, the directors' report and the auditor's report) will be presented to the meeting.

There is no requirement for shareholders to approve these reports. However, the chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the management of the Company. Shareholders will be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the content of the Auditor's Report.

A copy of the Annual Report has been sent to shareholders (where requested) and is also available on the Company's website at www.Medibio.com.au.

Resolution 1 – Adoption of the Remuneration Report for the year ended 30 June 2016

The Remuneration Report of the Company for the financial year ended 30 June 2016 is set out in the Company's 2016 Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for directors, including the Managing Director, and the Company's staff. The chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the Remuneration Report at the meeting. In addition, shareholders will be asked to vote on the Remuneration Report.

The resolution is advisory only and does not bind the Company or its directors. The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

No member of the key management personnel or closely related party of the key management personnel may vote on Resolution 1.

Any undirected proxies held by the other directors or any other key management personnel or their closely related parties will not be voted on Resolution 1.

Any undirected proxies held by the chairman may only be voted by the chairman in the event that the proxy form does not direct the chairman how to vote, but expressly authorises the chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

The Company encourages all other shareholders to cast their votes on Resolution 1.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1 (Adoption of Remuneration Report) by marking either "**For**", "**Against**" or "**Abstain**" on the Voting Form for that item of business. Please read the directions on the proxy form carefully, especially if you intend to appoint the Chairperson of the meeting as your proxy.

Under the Corporations Act 2001, if 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a 'spill' resolution) that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election. At the last AGM, the Remuneration Report was adopted and did not receive 25% or more votes cast against its adoption.

The directors unanimously recommend that you vote in favour of this resolution.

Resolution 2 – Election of Franklyn Prendergast as a director

Dr Prendergast was appointed to the Board on 27 January 2016 and retires in accordance with the Medibio Limited Constitution. Being eligible he offers himself for election as a Director of Medibio Limited.

He is the former Chair of the Department of Biochemistry and Molecular Biology and the former director for research at Mayo Clinic from 1989-1992. From 1989-1996, he was a member of the Board of Governors for Mayo Clinic, Rochester. From 1999-2007 inclusive, he was member of Mayo Clinic's Executive Committee, the senior most internal governance committee for the entire Mayo system. He served on Mayo Clinic's Board of Trustees continuously between 1992-2009. He was recognized as a Mayo Distinguished Investigator in 1988 and is the director emeritus, Mayo Clinic Cancer Center (1995-2006) and director emeritus for the Mayo Clinic Center for Individualized Medicine (2008-2012). Dr Prendergast retired from Mayo Clinic in December of 2014.

Dr Prendergast has been a member of the Eli Lilly Company Board of Directors since 1995. He served extensively for the National Institutes of Health (NIH) on numerous study section review groups; as a charter member of the Board of Advisors for the Division of Research Grants, now the Center for Scientific Review; the National Advisory General Medical Sciences Council; the Board of Scientific Advisors of the National Cancer Institute. He held a Presidential Commission for service on the National Cancer Advisory Board. Dr Prendergast also has served in numerous other advisory roles for the NIH. He was a member of the board of directors of the Translational Genomics Research Institute and the Infectious Disease Research Institute (IDRI).

The directors (with Franklyn Prendergast abstaining) unanimously recommend that you vote in favour of this resolution.

Resolution 3 – Additional 10% Placement Capacity

General

Listing Rule 7.1 permits entities to issue 15% of its issued capital without shareholder approval in a 12 month period, subject to a number of exceptions.

Listing Rule 7.1A permits eligible entities, which have obtained shareholder approval by special resolution, to issue Equity Securities up to an additional 10% of its issued capital by placements over a 12 month period after the annual general meeting ("**Additional Placement Capacity**").

Requirements of Listing Rule 7.1A

1. Eligible entities

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

2. Shareholder approval

Shareholders must approve the Additional Placement Capacity by **special resolution** at the annual general meeting. As a **Special** Resolution it must be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

A resolution under Listing Rule 7.1A cannot be put at any other shareholder meeting.

3. Equity Securities

Equity Securities issued under the Additional Placement Capacity must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company has one class of Listed Securities:

- fully paid ordinary Shares – 110,310,149 on issue and quoted on ASX; and

There are also the following unlisted securities:

- Options - 6,666,667 on issue – (exercise price \$0.30 and expiry date 1 April 2017);
- Options - 9,500,000 on issue – (exercise price \$0.10 and expiry date 1 April 2018); and
- Option (expiry date 29 January 2019) with the following conditions:
 - 3,000,000 options vesting on 28 August 2016 - exercise price \$0.40.
 - 1,500,000 options vesting on 28 February 2017 - exercise price \$0.60
 - 1,500,000 options vesting on 28 August 2017 - exercise price \$0.80

4. Formula for calculating number of Equity Securities that may be issued under the Additional Placement Capacity

If this Resolution is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A	The number of shares on issue 12 months before the date of issue or agreement: • plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2; • plus the number of partly paid shares that became fully paid in the 12 months; • plus the number of fully paid shares issued in the 12 months with the approval of shareholders under Listing Rules 7.1 or 7.4; • less the number of fully paid shares cancelled in the 12 months.
D	10%
E	The number of Equity Securities issued or agreed to be issued under Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

5. Interaction between Listing Rules 7.1 and 7.1A

The Additional Placement Capacity under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company has 110,310,149 Shares on issue as at the date of this Notice

The Company will be permitted to issue (as at the date of this Notice):

- 16,546,522 Equity Securities under Listing Rule 7.1; and
- 11,031,015 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will be permitted to issue under Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out above).

The effect of Resolution 3 will be to allow the Company to issue securities under Listing Rule 7.1A without using the Company's placement capacity under Listing Rule 7.1.

Information for Shareholders as required by Listing Rule 7.3A

6. Minimum price

The issue price of the new Equity Securities will be no lower than 75% of the volume weighted average price (VWAP) for securities in the relevant quoted class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities are to be issued is agreed; or

- if the Equity Securities are not issued within 5 Business Days of the date above, the date on which the Equity Securities are issued.

7. Risk of economic and voting dilution

If Resolution 7 is passed and the Company issues securities under the Additional Placement Facility, existing Shareholders' voting power in the Company will be diluted.

There is the risk that:

- the market price for the Company's existing Equity Securities may be significantly lower on the date of issue of the new Equity Securities than on the date of the Meeting; and
- the new Equity Securities may be issued at a price that is at a discount to the market price of the Company's existing Equity Securities on the issue date or the new Equity Securities may be issued as part of the consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the new Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example a pro rata entitlement issue) or future placements under Listing Rule 7.1 that are approved by Shareholders in the future;

two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.24 50% decrease in Issue Price	\$0.48 Issue Price	\$0.96 100% increase in Issue Price
Current Variable A 110,310,149 Shares	10% Voting Dilution	11,031,015 Shares	11,031,015 Shares	11,031,015 Shares
	Funds raised	\$2,647,444	\$5,294,887	\$10,589,774
50% increase in current Variable A 165,465,224 Shares	10% Voting Dilution	16,546,522 Shares	16,546,522 Shares	16,546,522 Shares
	Funds raised	\$3,971,165	\$7,942,331	\$15,884,661
100% increase in current Variable A 220,620,298 Shares	10% Voting Dilution	22,062,030 Shares	22,062,030 Shares	22,062,030 Shares
	Funds raised	\$5,294,887	\$10,589,774	\$21,179,549

This table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the Additional Placement Capacity.
- No Options (including any quoted Options issued under the Additional Placement Capacity) are exercised into Shares before the date of the issue of the Equity Securities.

- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the Additional Placement Capacity consists only of quoted Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (vii) The issue price is \$0.48, being the last sale price of the Shares on ASX on 20 October 2016.

The Company's ability to issue securities under Listing Rule 7.1A is in addition to its ability to issue securities under listing rule 7.1.

8. Placement Period

Shareholder approval of the Additional Placement Capacity under Listing Rule 7.1A is valid from 29 November 2016 (the date of this Meeting) and expires on the earlier of:

- 22 November 2017, which is 12 months after this Meeting; or
- the date that Shareholders approve a transaction under Listing Rule 11.1.2 (significant change to nature or scale of activities) or 11.2 (disposal of the main undertaking),

The Company will only issue and allot new securities during the Placement Period. The approval will cease to be valid in the event that shareholders' approve a transaction under Listing Rules 11.1.2 or 11.2.

9. Purposes for which the new Equity Securities may be issued

The Company may seek to issue new Equity Securities for the following purposes:

- cash consideration to raise funds for the acquisition of new assets or investments (including the expenses associated such acquisition), expenditure on the Company's current assets and for general working capital; or
- non-cash consideration for acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

10. Allocation policy

The Company's allocation policy for the issue of new Equity Securities under the Additional Placement Capacity will depend on the market conditions existing at the time of the proposed issue. The allottees will be determined at the relevant time having regard to factors such as:

- the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- the effect of the issue of new securities on the control of the Company;
- the financial situation and solvency of the Company;
- advice from corporate, financial and broking advisors (as relevant).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the Additional Placement Capacity will be a related party or associate of a related party. Existing Shareholders may or may not be entitled to subscribe for any Equity Securities issued under the Additional Placement Capacity and it is possible that their shareholding will be diluted.

If the Additional Placement Capacity is used to acquire new assets or investments then it is likely that the allottees will be the vendors of the new assets.

The Company will comply with the disclosure obligations under Listing Rule 7.1A(4) and 3.10.5A on the issue of any new securities.

11. Details of Equity Securities issued under earlier placement capacity approval

The Company previously obtained approval under Listing Rule 7.1A at its Annual General Meeting held 30 November 2015.

Equity Securities issued by the Company since 30 November 2015 are as follows:

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 29 January 2016 Appendix 3B – 29 January 2016	6,000,000	Unquoted Options	Fosters Stockbroking Pty Ltd – approved Resolution 9 – 30 November 2015 AGM	Nil issue price (Non cash consideration)	Non-cash Consideration: The Options were issued as part consideration for acting as lead manager to a placement Current value = \$545,250
Issue – 29 January 2016 Appendix 3B – 29 January 2016	166,667	Shares ²	Dr Franklyn Prendergast – approved Resolution 11 – 30 November 2015 AGM	\$0.30 per ordinary share (premium of 20% to closing price on date of issue)	Non-cash Consideration: Amount spent = \$50,000 Use of funds: Working capital Amount remaining = \$nil
Issue – 29 January 2016 Appendix 3B – 29 January 2016	332,878	Shares ²	Employees and contractors	\$0.40 per ordinary share (premium of 60.0% to closing price on date of issue)	Non-cash Consideration: Amount spent = \$133,151 Use of funds: working capital Amount remaining = \$nil
Issue – 29 January 2016 Appendix 3B – 29 January 2016	502,641	Shares ²	RB Milestone Equities LLC	\$0.278 per ordinary share (premium of 11.2% to closing price on date of issue)	Amount raised = \$139,734 Amount spent = \$139,734 Use of funds: Development of depression technology and Working capital Amount remaining = \$nil
Issue – 29 January 2016 Appendix 3B – 29 January 2016	1,000,000	Shares ²	Ms Alison Catherine Round	\$0.278 per ordinary share (premium of 11.2% to closing price on date of issue)	Non-cash Consideration: Amount spent = \$350,000 Use of funds: Development of depression technology and Working capital Amount remaining = \$nil
Issue – 29 January 2016 Appendix 3B – 29 January 2016	175,000	Shares ²	Employees and contractors	\$0.40 per ordinary share (premium of 60.0% to closing price on date of issue)	Non-cash Consideration: Amount spent = \$70,000 Use of funds: Development of depression technology and Working capital Amount remaining = \$nil
Issue – 19 April 2016 Appendix 3B – 19 April 2016	4,000,000	Shares ²	Heartlink Limited	\$0.30 per ordinary share (premium of 30.4% to closing price on date of issue)	Non-cash Consideration: Amount spent = \$1,200,000 Use of funds: Acquisition of Patents

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 19 April 2016 Appendix 3B – 19 April 2016	430,000	Shares ²	Employees and contractors	\$0.20 per ordinary share (discount of 13.0% to closing price on date of issue)	Non-cash Consideration: Amount spent = \$86,000 Use of funds: Development of depression technology and Working capital
Issue – 19 April 2016 Appendix 3B – 19 April 2016	49,186	Shares ²	Contractor	\$0.28 per ordinary share (premium of 21.7% to closing price on date of issue)	Non-cash Consideration: Amount spent = \$13,526 Use of funds: Development of depression technology and Working capital
Issue – 29 June 2016 Appendix 3B – 29 June 2016	500,000	Shares ²	Optionholder on exercise of unquoted Options	\$0.10 per ordinary share (discount of 68.75% to closing price on date of issue)	Amount raised = \$50,000 Amount spent = \$50,000 Use of funds: Development of depression technology and Working capital Amount remaining = \$nil
Issue – 2 September 2016 Appendix 3B – 2 September 2016	863,342	Shares ²	Optionholder on exercise of unquoted Options	\$0.10 per ordinary share (discount of 72.2% to closing price on date of issue)	Amount raised = \$86,334 Amount spent = \$86,334 Use of funds: Development of depression technology and Working capital Amount remaining = \$nil
Issue – 7 October 2016 Appendix 3B – 7 October 2016	4,000,000	Shares ²	Optionholder on exercise of unquoted Options	\$0.10 per ordinary share (discount of 79.6% to closing price on date of issue)	Amount raised = \$400,000 Amount spent = \$285,000 Use of funds: Development of depression technology and Working capital Amount remaining = \$115,000

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: MEB (terms are set out in the Constitution).

12. Voting exclusion

At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in a proposed issue of Equity Securities under the proposed Additional Placement Capacity. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Resolution 4 – Ratification of prior issue of Shares to various professional and sophisticated investors

Under Resolution 4, the Company now seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 502,641 Shares at an issue price of \$0.278 per Share to an investor on Jan 2016 to raise \$139,734.

ASX Listing Rule 7.1 prohibits a company from issuing shares or options representing more than 15% of its issued capital in any 12 month period without shareholder approval. ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. Under ASX Listing Rule 7.4 where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the Prior Issue, the securities issued under the Prior Issue will not diminish the 15% annual placement capacity of the Company. This will provide the Company with flexibility to issue further equity securities within the next 12 months up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

Information required under ASX Listing Rules

In accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Prior Issue of Shares:

Allottees	The Shares were allotted to the following parties in the following amounts:	
	RB Milestone Equities LLC	
Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:	The total number of Shares issued was 502,641	
Price at which the securities were issued:	The issue price of the shares was \$0.278 per Share	
Terms of the securities:	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.	
Use of the funds raised:	The funds raised from the placement have be used to fund the: - ongoing research and development of Medibio technologies and products; and - working capital of the business of the Company.	

Resolution 5 – Issue of Share to Professional Advisor

Under Resolution 5, the Company now seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 1,000,000 Shares at an issue price of \$0.35 per Share to a professional advisor on 29 January 2016.

ASX Listing Rule 7.1 prohibits a company from issuing shares or options representing more than 15% of its issued capital in any 12 month period without shareholder approval. ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. Under ASX Listing Rule 7.4 where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the Prior Issue, the securities issued under the Prior Issue will not diminish the 15% annual placement capacity of the Company. This will provide the Company with flexibility to issue further equity securities within the next 12 months up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

Information required under ASX Listing Rules

In accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Prior Issue of Shares:

Allottees	The Shares were allotted to the following parties in the following amounts:	
	Ms Alison Catherine Round	
Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:	The total number of Shares issued was 1,000,000	
Price at which the securities were issued:	The issue price of the shares was \$0.35 per Share	
Terms of the securities:	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.	
Use of the funds raised:	No funds were raised from the placement. The shares were issued as payment for services.	

Resolution 6 – Ratification of prior issue of Shares to various contractors and service providers

Under Resolution 6, the Company now seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 200,000 Shares at an issue price of \$0.40 per Share and 69,088 Shares at an issue price of \$0.30 per Share to various contractors and service providers on 29 January 2016.

ASX Listing Rule 7.1 prohibits a company from issuing shares or options representing more than 15% of its issued capital in any 12 month period without shareholder approval. ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. Under ASX Listing Rule 7.4 where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the Prior Issue, the securities issued under the Prior Issue will not diminish the 15% annual placement capacity of the Company. This will provide the Company with flexibility to issue further equity securities within the next 12 months up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

Information required under ASX Listing Rules

In accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Prior Issue of Shares:

Allottees	The Shares were allotted to the following parties in the following amounts:		
		Shares	Issue price
	Mr Stephen Stapelberg	150,000	\$0.40
	Mr Andrew Mortimer	50,000	\$0.40
	Dr Matt Flax	69,088	\$0.30

Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:	The total number of Shares issued was 269,088
Price at which the securities were issued:	The issue price of 175,000 shares was \$0.40 per Share and the issue price of 69,088 shares was \$0.30 per share.
Terms of the securities:	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.
Use of the funds raised:	No funds were raised from the placement. The shares were issued as payment for services.

Resolution 7 – Ratification of prior issue of Shares to acquire Patents

Under Resolution 7, the Company now seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 4,000,000 Shares at an issue price of \$0.30 per Share to Metavone Limited to acquire patents on 19 April 2016.

ASX Listing Rule 7.1 prohibits a company from issuing shares or options representing more than 15% of its issued capital in any 12 month period without shareholder approval. ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. Under ASX Listing Rule 7.4 where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the Prior Issue, the securities issued under the Prior Issue will not diminish the 15% annual placement capacity of the Company. This will provide the Company with flexibility to issue further equity securities within the next 12 months up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

Information required under ASX Listing Rules

In accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Prior Issue of Shares:

Allottees	The Shares were allotted to the following parties in the following amounts:	
	Metavone Limited	
Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:	The total number of Shares issued was 4,000,000	
Price at which the securities were issued:	The issue price of the shares was \$0.30 per Share	
Terms of the securities:	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.	
Use of the funds raised:	No funds were raised from the placement. The shares were issued as payment for patents acquired.	

Resolution 8 – Ratification of prior issue of Shares to various contractors and service providers

Under Resolution 8, the Company now seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 430,000 Shares at an issue price of \$0.20 per Share and 49,186 Shares at an issue price of \$0.28 per Share to various contractors and service providers on 19 April 2016.

ASX Listing Rule 7.1 prohibits a company from issuing shares or options representing more than 15% of its issued capital in any 12 month period without shareholder approval. ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. Under ASX Listing Rule 7.4 where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the Prior Issue, the securities issued under the Prior Issue will not diminish the 15% annual placement capacity of the Company. This will provide the Company with flexibility to issue further equity securities within the next 12 months up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

Information required under ASX Listing Rules

In accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Prior Issue of Shares:

Allottees	The Shares were allotted to the following parties in the following amounts:		
		Shares	Issue price
	Colorado Investments Pty Ltd	105,000	\$0.20
	Mr Duncan Groenewald	75,000	\$0.20
	Mathieson Family Enterprises	125,000	\$0.20
	Mr Stephen Stapelberg	125,000	\$0.20
	Dr Matthew Flax	49,186	\$0.28
Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:	The total number of Shares issued was 479,186		
Price at which the securities were issued:	The issue price of 430,000 shares was \$0.20 per Share and the issue price of 49,186 shares was \$0.28 per share.		
Terms of the securities:	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.		
Use of the funds raised:	No funds were raised from the placement. The shares were issued as payment for services.		

Introduction

The proposed issue of Shares to Mr Christopher Charles Indermaur (**Indermaur**) will be considered an issue of securities to a related party under ASX Listing Rule 10.11. The issue of Shares arises as a result of Mr Indermaur agreeing to forego part of the cash remuneration payable to him for Directors fees.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the Company or a related party, is in the ASX's opinion, such that approval should be obtained from the Shareholders of the company, unless an exception in ASX Listing Rule 10.12 applies. As described above, Mr Indermaur is a director and a related party of the Company at the time of the proposed issue of Shares and as such the exceptions set out in ASX Listing Rule 10.12 would not apply.

Shareholder approval under ASX Listing Rule 7.1 not sought

ASX Listing Rule 7.2 provides that Shareholder approval under ASX Listing Rules 7.1 is not required for the issue of securities to related parties which are approved under ASX Listing Rules 10.11 (exception 14).

Accordingly, the issue of the Shares will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rules 7.1.

Shareholder approval under Chapter 2E of the Corporations Act

For a public company, or an entity that a public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (i) obtain the approval of the public company's members in the manner set out in sections 221 to 227 of the Corporations Act; and
- (ii) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 apply. Mr Indermaur is a director, the issue of Shares to him will fall within the definition of a "financial benefit" for the purposes of the Corporations Act, as he is be considered a related party of the Company.

Consequently, the issue of the Shares to Mr Indermaur, will for the purposes of Chapter 2E of the Corporations Act, constitute giving a financial benefit to related parties of the Company.

The financial benefit being given to Mr Indermaur as a related party of the Company will be given in lieu of remuneration to Mr Indermaur and the Company is of the opinion it is reasonable in the Company's circumstances. Therefore, it falls within the exception set out in section 211 of the Corporations Act.

Accordingly, Shareholder approval for the purposes of Chapter 2E of the Corporations Act is not being sought.

Information required by ASX Listing Rule 10.13

The information required by ASX Listing Rule 10.13 in respect of the Director Share to be issued to the Director is set out below:

The name of the related party

Christopher Charles Indermaur.

The number of Shares to be issued to and equivalent remuneration

55,460 Shares will be issued to Indermaur in lieu of remuneration equal to \$18,750 for period 1 July to 31 Dec 2016.

The date on which the Shares will be issued to Mr Indermaur

The 55,460 Shares will be issued to Mr Indermaur within 1 months of the date of the Meeting.

The issue price of the Shares and terms of the issue

The issue price of each Share will be \$0.338 per Share.

The Shares will be issued as fully paid shares in the capital of the Company and on the same terms as the Company's existing shares.

Intended use of the funds raised from the issue

The Shares are to be issued to Mr Indermaur in lieu of cash payment. As such, the Shares will be granted for nil consideration and no funds will be raised as a result.

Resolution 10 - Issue of Securities to Mr. Christopher Charles Indermaur in part satisfaction of Directors fees for the financial year ended 2017

Introduction

The proposed issue of Shares to Mr Christopher Charles Indermaur (**Mr Indermaur**) will be considered an issue of securities to a related party under ASX Listing Rule 10.11. The issue of Shares arises as a result of Mr Indermaur agreeing to forego part of the cash remuneration payable to him for Directors fees.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the Company or a related party, is in the ASX's opinion, such that approval should be obtained from the Shareholders of the company, unless an exception in ASX Listing Rule 10.12 applies. As described above, Mr Indermaur is a director and a related party of the Company at the time of the proposed issue of Shares and as such the exceptions set out in ASX Listing Rule 10.12 would not apply.

Shareholder approval under ASX Listing Rule 7.1 not sought

ASX Listing Rule 7.2 provides that Shareholder approval under ASX Listing Rules 7.1 is not required for the issue of securities to related parties which are approved under ASX Listing Rules 10.11 (exception 14).

Accordingly, the issue of the Shares will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rules 7.1.

Shareholder approval under Chapter 2E of the Corporations Act

For a public company, or an entity that a public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (iii) obtain the approval of the public company's members in the manner set out in sections 221 to 227 of the Corporations Act; and
- (iv) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 apply. Mr Indermaur is a director, the issue of Shares to him will fall within the definition of a "financial benefit" for the purposes of the Corporations Act, as he is be considered a related party of the Company.

Consequently, the issue of the Shares to Mr Indermaur, will for the purposes of Chapter 2E of the Corporations Act, constitute giving a financial benefit to related parties of the Company.

The financial benefit being given to Mr Indermaur as a related party of the Company will be given in lieu of remuneration to Mr Indermaur and the Company is of the opinion it is reasonable in the Company's circumstances. Therefore, it falls within the exception set out in section 211 of the Corporations Act.

Accordingly, Shareholder approval for the purposes of Chapter 2E of the Corporations Act is not being sought.

Information required by ASX Listing Rule 10.13

The information required by ASX Listing Rule 10.13 in respect of the Director Share to be issued to the Director is set out below:

The name of the related party

Christopher Charles Indermaur.

The number of Shares to be issued to and equivalent remuneration

A total of \$18,750 of ordinary shares will be issued. For the quarter's end 31 March 2017 - \$9,375 of ordinary shares and the quarter ended 30 June 2017 - \$9,375 of ordinary shares. The allotment share price will be calculated on the volume weighted average (VWAP) sale price of shares sold on ASX for the quarter as calculated on the last day of each quarter.

The date on which the Shares will be issued to Mr Indermaur

The Shares will be issued to Mr Indermaur within 12 months from the date of the Annual General Meeting and will be issued on a quarterly basis.

The issue price of the Shares and terms of the issue

The issue price of each Share will be the 5 day VWAP preceding the last ASX business day of the quarter end of 31 March 2017 and 30 June 2017.

The Shares will be issued as fully paid shares in the capital of the Company and on the same terms as the Company's existing shares.

Intended use of the funds raised from the issue

The Shares are to be issued to Mr Indermaur in lieu of cash payment. As such, the Shares will be granted for nil consideration and no funds will be raised as a result.

Resolution 11 - Issue of Shares to Dr Franklyn Prendergast in part satisfaction of Directors fees

Introduction

The proposed issue of Shares to Dr Franklyn Prendergast (**Dr Prendergast**) will be considered an issue of securities to a related party under ASX Listing Rule 10.11. The issue of Shares arises as a result of Dr Prendergast agreeing to forego part of the cash remuneration payable to him for Directors fees.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the Company or a related party, is in the ASX's opinion, such that approval should be obtained from the Shareholders of the company, unless an exception in ASX Listing Rule 10.12 applies. As described above, Dr Prendergast is a director

and a related party of the Company at the time of the proposed issue of Shares and as such the exceptions set out in ASX Listing Rule 10.12 would not apply.

Shareholder approval under ASX Listing Rule 7.1 not sought

ASX Listing Rule 7.2 provides that Shareholder approval under ASX Listing Rules 7.1 is not required for the issue of securities to related parties which are approved under ASX Listing Rules 10.11 (exception 14).

Accordingly, the issue of the Shares will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rules 7.1.

Shareholder approval under Chapter 2E of the Corporations Act

For a public company, or an entity that a public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(v) obtain the approval of the public company's members in the manner set out in sections 221 to 227 of the Corporations Act; and

(vi) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 apply. Dr Prendergast is a director, the issue of Shares to him will fall within the definition of a "financial benefit" for the purposes of the Corporations Act, as he is be considered a related party of the Company.

Consequently, the issue of the Shares to Dr Prendergast, will for the purposes of Chapter 2E of the Corporations Act, constitute giving a financial benefit to related parties of the Company.

The financial benefit being given to Dr Prendergast as a related party of the Company will be given in lieu of remuneration to Dr Prendergast and the Company is of the opinion it is reasonable in the Company's circumstances. Therefore, it falls within the exception set out in section 211 of the Corporations Act.

Accordingly, Shareholder approval for the purposes of Chapter 2E of the Corporations Act is not being sought.

Information required by ASX Listing Rule 10.13

The information required by ASX Listing Rule 10.13 in respect of the Director Share to be issued to the Director is set out below:

The name of the related party

Dr Franklyn Prendergast.

The number of Shares to be issued to and equivalent remuneration

129,630 Shares will be issued to Dr Prendergast in lieu of remuneration equal to \$38,889.

The date on which the Shares will be issued to Dr Prendergast

The Shares will be issued to Dr Prendergast within 3 months of the date of the Meeting (or such later date as approved by ASX).

The issue price of the Shares and terms of the issue

The issue price of each Share will be \$0.30 per Share.

The Shares will be issued as fully paid shares in the capital of the Company and on the same terms as the Company's existing shares.

Intended use of the funds raised from the issue

The Shares are to be issued to Dr Prendergast in lieu of cash payment of Directors fees. As such, the Shares will be granted for nil consideration and no funds will be raised as a result.

Resolution 12 - Issue of Shares to various contractors and consultants

Introduction

Resolution 12 proposes the allotment and issue of up to 1,339,299 Shares to various contractors or their nominees under their consultancy agreements as part of their remuneration, at a range of issue prices from \$0.20 to \$0.40 per Share. The Shares will not be issued to any related parties of the Company.

ASX Listing Rule 7.1

The effect of Medibio Limited Shareholder approval will be that the Shares issued will not be counted in calculating the number of securities which the Company can issue in the next 12 months under the 15% limit imposed by ASX Listing Rule 7.1.

Information required under ASX Listing Rules

In accordance with ASX Listing Rules 7.3, the following information is provided in relation to the issue of the Placement Shares:

Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:	1,339,299 fully paid ordinary Shares in the Company • 600,000 shares at \$0.20 per share • 45,088 shares at \$0.30 per share • 187,189 shares at \$0.3205 per share • 7,023 shares at \$0.3574 per share • 500,000 shares at \$0.40 per share
The date by which the entity will issue the securities:	The Shares will be issued on 7 December 2016 and in any event no later than 3 months after the date of the General Meeting or such later date as permitted by the ASX.
Price at which the securities will be issued:	The minimum issue price will be \$0.20 per Placement Share and the maximum \$0.40 per Placement Share.
Terms of the securities:	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.
Use (or intended use) of the funds raised:	No funds raised will be raised by the issue of these shares.

Resolution 13 - Issue of Shares to various employees

Introduction

Resolution 13 proposes the allotment and issue of up to 464,450 Shares to various employees or their nominees under their employment agreements as part of their remuneration, at a range of issue prices from \$0.30 to \$0.40 per Share. The Shares will not be issued to any related parties of the Company.

ASX Listing Rule 7.1

The effect of Medibio Limited Shareholder approval will be that the Shares issued will not be counted in calculating the number of securities which the Company can issue in the next 12 months under the 15% limit imposed by ASX Listing Rule 7.1.

Information required under ASX Listing Rules

In accordance with ASX Listing Rules 7.3, the following information is provided in relation to the issue of the Placement Shares:

Maximum number of securities to be issued or the formula for calculating the number of securities to be issued:	464,450 fully paid ordinary Shares in the Company • 216,667 shares at \$0.30 per share • 122,784 shares at \$0.33 per share • 125,000 shares at \$0.40 per share
The date by which the entity will issue the securities:	The Shares will be issued on 7 December 2016 and in any event no later than 3 months after the date of the General Meeting or such later date as permitted by the ASX.
Price at which the securities will be issued:	The minimum issue price will be \$0.30 per Placement Share and the maximum \$0.40.
Terms of the securities:	Fully paid ordinary shares of the Company ranking equally with all other ordinary shares of the Company.
Use (or intended use) of the funds raised:	No funds raised will be raised by the issue of these shares.

A Proxy Form is enclosed

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

MEB

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 10:30am (Sydney time) Sunday 27 November 2016

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



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



I 9999999999

IND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Medibio Limited hereby appoint

☐ the Chairman
of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Medibio Limited to be held at **University of New South Wales CBD Campus, Level 6, 1 O'Connell Street, Sydney NSW 2000 on Tuesday, 29 November 2016 at 10:30am (Sydney time)** and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Item 1** (except where I/we have indicated a different voting intention below) even though **Item 1** is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Item 1** by marking the appropriate box in step 2 below.

STEP 2

Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain			For	Against	Abstain
1	Adoption of the Remuneration Report for the year ended 30 June 2016	☐	☐	☐	8	Ratification of prior the issue of Shares to various contractors and service providers in April 2016	☐	☐	☐
2	Election of Franklyn Prendergast as a director	☐	☐	☐	9	Approve the issue of Shares to Mr Christopher Charles Indermaur, 2016 fees	☐	☐	☐
3	Approval of additional placement under ASX Listing Rule 7.1A	☐	☐	☐	10	Approve the issue of Shares to Mr Christopher Charles Indermaur, 2017 fees	☐	☐	☐
4	Ratification of prior issue of Shares to a professional and sophisticated investor	☐	☐	☐	11	Approve the issue of Shares to Dr Franklyn Prendergast	☐	☐	☐
5	Ratification of prior issue of Shares to a Professional advisor	☐	☐	☐	12	Approve the issue of Shares to various contractors and consultants	☐	☐	☐
6	Ratification of prior issue of Shares to various contractors and service providers in January 2016	☐	☐	☐	13	Approve the issue of Shares to various employees	☐	☐	☐
7	Ratification of prior issue of Shares to acquire Patents	☐	☐	☐					

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

_____ / _____ / _____

Date

MEB

220020A

Computershare



MEBRM
MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in Medibio Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

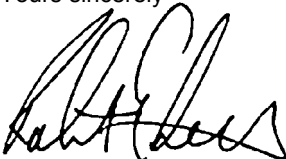
- > Securityholder Reference Number (SRN);
- > ASX trading code; (MEB)
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely



Robert Lees
Company Secretary

