

12 September 2011

The Manager  
Company Announcements Office  
ASX Limited  
20 Bridge St  
SYDNEY NSW 2000

Dear Sir,

### STATEMENT ON REQUISITIONED GENERAL MEETING

On 5 September 2011, CBio Limited (**CBZ** or **Company**) announced that it had received a requisition notice from shareholders requesting that the Company convene a general meeting (**General Meeting**) to consider proposed resolutions to remove certain directors and the election of other persons in their stead (**Requisition Notice**). Further, that the Company was considering the requisition.

The Company has taken legal advice and considered the requisition notice and accompanying documents and wishes to provide the following update to its shareholders:

1. The general meeting was requisitioned by the following shareholders (**Requisitioning Shareholders**) who in aggregate hold approximately 5.64% of the shares the Company currently has on issue:
  - i. Basildene Pty Ltd ACN 056 751 958 as Trustee for the 'Warren Brown & Associates Pty Ltd Superannuation Fund';
  - ii. Mr Warren Thomas Brown & Mrs Roslyn Una Brown, as trustees of the 'WT & RU Brown Family Trust';
  - iii. Retirewell Commercial Services Pty Ltd ACN 001 970 341 as trustee for the 'Gilett Superannuation Fund';
  - iv. White Turtle Pty Ltd ACN 108 030 137;
  - v. Pella Comino as trustee for the 'Pelagia Family Trust'; and
  - vi. Alan Grahame Baker and Julie Ann Baker as trustee for the 'Baker Family Trust'.
2. The resolutions that the Requisitioning Shareholders have proposed are (**Requested Resolutions**):
  - i. the removal of the following individuals as Directors of the Company:
    - a. Stephen Jones;
    - b. John Funder, AO;
    - c. James Greig; and
  - ii. the appointment of the following individuals as Directors of the Company:
    - a. Helen Cameron;
    - b. Ralph Craven; and
    - c. Warren Brown.

3. In accordance with the Company's legislative requirements under section 249D of the Corporations Act, the Company is required to:
  - i. call the General Meeting within 21 days; and
  - ii. hold the General Meeting within 2 months, of receiving the Requisition Notice.

The Company will convene the General Meeting and distribute the Notice of Meeting to all shareholders within the required timeframe.

For and on behalf of the Board of CBio Limited.



**BEN GRAHAM**  
Company Secretary

#### **About CBio Limited**

CBio is an Australian ASX listed company established in 2000. CBio's lead product XToll® is a potential new-generation drug therapy which could provide safer and more effective treatment of autoimmune diseases such as rheumatoid arthritis (RA). Global sales of RA therapies exceeded US\$17 billion in 2008. Novo Nordisk A/S, a top 20 global pharmaceutical company and world-leader in diabetes care, has an exclusive option to enter into a licence agreement for the intellectual property rights relating to XToll®. XToll® has been trialled in over 330 patients with no pattern of treatment-emergent serious adverse effects. The company's largest clinical trial to date completed in Q2 2011. CBio's Board includes internationally experienced drug developers including Dr Goran Ando, Vice-Chairman Novo Nordisk A/S (formerly president of R&D at Pharmacia/Pfizer and R&D director of Glaxo Group, UK); Dr Thomas Lönngren (former Executive Director of the European Medicines Agency), Dr Terje Kalland, Chief Scientific Officer of Karolinska Development (formerly Senior-Vice President Biopharmaceuticals Research Unit- Novo Nordisk and Head of Oncology Research, Pharmacia); Dr Peter Corr, Founder and co-General Partner of Celtic Therapeutics (formerly Senior Vice-President for Science and Technology at Pfizer and Chairman of the Board of Governors, New York Academy of Sciences); and Professor John Funder, AO, Professor of Medicine at Monash University, Senior Fellow at Prince Henry's Institute of Medical Research (formerly Director of the Baker Institute, 1990-2001).

#### **About Rheumatoid Arthritis**

Rheumatoid Arthritis is a chronic autoimmune disease, mainly characterised by inflammation of the lining of the joints. It can lead to long-term joint damage, resulting in chronic pain, loss of function and disability. The effects of RA are systemic, which means it can affect other organs in the body, and cardiovascular dysfunction in addition to RA is common. RA symptoms can make even the simplest activities – such as opening a jar or taking a walk – difficult to manage. RA has a worldwide distribution with a prevalence of 1 to 2% – which currently equates to approximately 100 million people. Prevalence increases with age, approaching 5% in women over age 55. RA is two to three times more common in women than in men and generally occurs between the ages of 40 and 60, but it can also affect young children and older adults. Currently, there is no cure.

#### **COMPANY & INVESTOR RELATIONS**

Ben Graham  
Company Secretary  
CBio Limited  
T: +61 7 3841 4844  
ben.graham@cbio.com.au

#### **MEDIA LIAISON**

Melanie Farris  
Manager, Corporate Projects  
CBio Limited  
T: +61 449 148 448  
melanie.farris@cbio.com.au