

31 July 2012

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

Dear Sir

Further to the notice of general meeting lodged yesterday regarding the proposed merger with Inverseon Inc., CBio Limited (ASX:CBZ) today lodged a Notice of Meeting and Explanatory Memorandum for a general meeting of Shareholders to be held at 4pm, Thursday 30 August 2012, at the offices of McCullough Robertson, Brisbane.

The purpose of each of the resolutions set out in this Notice is to seek shareholder approval and ratification under ASX Listing Rule 7.4 for the previous issue and allotment of securities by the company.

The Notice of Meeting and Explanatory Memorandum is attached to this announcement.

For and on behalf of the Board of CBio Limited

MELANIE FARRIS
Company Secretary

Notice of general meeting

CBio Limited ACN 094 730 417

Notice is given that a general meeting of CBio Limited (**Company**) will be held at:

Location	McCullough Robertson Lawyers, Level 11, 66 Eagle Street, Brisbane QLD 4000
Date	Thursday, 30 August 2012
Time	4.00pm

Special Business

Resolution 1 – Ratification and approval of previous allotment and issue of shortfall shares

To consider, and if in favour, to pass the following resolution as an ordinary resolution:

‘That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the previous allotment and issue of 28,530,617 Shares as detailed in the Explanatory Memorandum.’

Voting Exclusion

The Company will disregard any votes cast on this resolution by any person who participated in the issue of securities described in the Explanatory Memorandum or any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) if 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.

Resolution 2 – Ratification and approval of previous allotment and issue of placement shares

To consider, and if in favour, to pass the following resolution as an ordinary resolution:

‘That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the previous allotment and issue of 13,081,039 Shares as detailed in the Explanatory Memorandum.’

Voting Exclusion

The Company will disregard any votes cast on this resolution by any person who participated in the issue of securities described in the Explanatory Memorandum or any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) if 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.

Resolution 3 – Ratification and approval of previous allotment and issue of Shares issued in lieu of underwriting and placement services

To consider, and if in favour, to pass the following resolution as an ordinary resolution:

‘That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the previous allotment and issue of 5,851,126 Shares as detailed in the Explanatory Memorandum.’

Voting Exclusion

The Company will disregard any votes cast on this resolution by any person who participated in the issue of securities described in the Explanatory Memorandum or any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) if 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.

Resolution 4 – Ratification and approval of previous allotment and issue of options

To consider, and if in favour, to pass the following resolution as an ordinary resolution:

‘That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the previous allotment and issue of 2,000,000 share options as detailed in the Explanatory Memorandum.’

Voting Exclusion

The Company will disregard any votes cast on this resolution by any person who participated in the issue of securities described in the Explanatory Memorandum or any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) if 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.

Dated 30 July 2012

By order of the board



Melanie Farris
Company Secretary

Notes

- (a) A member who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (b) The proxy need not be a member of the Company. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (c) If you wish to appoint a proxy and are entitled to do so, then complete and return the **attached** proxy form.
- (d) A corporation may elect to appoint a representative in accordance with the *Corporations Act 2001* (Cth) in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (e) The Company has determined under regulation 7.11.37 Corporations Regulations 2001 that for the purpose of voting at the meeting or adjourned meeting, Shares are taken to be held by those persons recorded in the Company's register of shareholders as at 7.00pm (Brisbane time) on Tuesday, 28 August 2012.
- (f) If you have any queries on how to cast your votes then call the Company Secretary on +61 7 3295 0500 during business hours.

Explanatory memorandum

CBio Limited ACN 094 730 417

Resolution 1, 2, 3 and 4 – Ratification and approval of previous allotment and issue of securities

- 1 The purpose of each of the resolutions set out in the notice of meeting is for shareholders to approve and ratify, under ASX Listing Rule 7.4, the issue of securities by the Company during the 12 months before the date of the meeting which count toward the Company's 15% limit under ASX Listing Rule 7.1.
- 2 ASX Listing Rule 7.1 provides that (subject to certain exceptions, none of which are relevant here) prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of the securities at the commencement of that 12 month period.
- 3 The allotment and issue of securities detailed in each resolution did not exceed the 15% threshold. However, ASX Listing Rule 7.4 provides that where an entity ratifies an issue of securities, the issue will be treated as having been made with approval for the purpose of ASX Listing Rule 7.1, thereby replenishing that entity's 15% capacity and enabling it to issue further securities up to that limit.

Resolution 1 – Ratification and approval of previous allotment and issue of shortfall shares

- 4 Resolution 1 relates to the issue of shortfall shares in October 2011 in accordance with the Company's non-renounceable rights issue which closed on 7 October 2011.
- 5 Resolution 1 proposes the ratification and approval of the allotment and issue of the fully paid ordinary shares (**Shares**) detailed below for the purpose of satisfying the requirements of ASX Listing Rule 7.4.

Issue date	25 October 2011
Number of securities	28,530,617 Shares
Issue price	\$0.18 per Share
Terms of issue	The Shares rank equally with all existing Shares on issue
Allottees	Clients and associates of Zheng He Securities Pty Ltd (the underwriter to the rights issue)
Use of funds raised	The proceeds of the issue were applied to drug formulation studies, intellectual property patent costs, mechanism of action studies and other research, overhead costs including personnel, office, administrative, compliance and other corporate costs.

- 6 The Directors unanimously recommend you vote in favour of this resolution.

Resolution 2 – Ratification and approval of previous allotment and issue of placement shares

- 7 Resolution 2 relates to the issue of Shares pursuant to a placement to professional and sophisticated investors in November 2011.
- 8 Resolution 2 proposes the ratification and approval of the allotment and issue of the Shares detailed below for the purpose of satisfying the requirements of ASX Listing Rule 7.4.

Issue date	3 November 2011
Number of securities	13,081,039 Shares
Issue price	\$0.18 per Share
Terms of issue	The Shares rank equally with all existing Shares on issue
Allottees	Clients and associates of Zheng He Securities Pty Ltd
Use of funds raised	The proceeds of the issue were applied to drug formulation studies, intellectual property patent costs, mechanism of action studies and other research, overhead costs including personnel, office, administrative, compliance and other corporate costs.

- 9 The Directors unanimously recommend you vote in favour of this resolution.

Resolution 3 – Ratification and approval of previous allotment and issue of Shares issued in lieu of underwriting and placement services

- 10 Resolution 3 relates to the issue of Shares issued in lieu of payment for underwriting and placement services provided to the Company.
- 11 Resolution 3 proposes the ratification and approval of the allotment and issue of the Shares detailed below for the purpose of satisfying the requirements of ASX Listing Rule 7.4.

Issue date	3 November 2011
Number of securities	5,851,126 Shares
Issue price	Nil
Terms of issue	The Shares rank equally with all existing Shares on issue
Allottees	Zheng He Securities Pty Ltd
Use of funds raised	N/A – the Shares were issued in lieu of underwriting and placement services

- 12 The Directors unanimously recommend you vote in favour of this resolution.

Resolution 4 – Ratification and approval of previous allotment and issue of options

- 13 Resolution 4 relates to the issue of share options issued in November 2011 pursuant to an agreement between Analytica Limited and the Company in consideration for the transfer of convertible notes held by Analytica Limited.
- 14 Resolution 4 proposes the ratification and approval of the allotment and issue of the share options detailed below for the purpose of satisfying the requirements of ASX Listing Rule 7.4.

Issue date	3 November 2011
Number of securities	2,000,000 quoted share options
Issue price	Nil
Terms of issue	The exercise price for each option is \$1.00 and the expiry date is 31 December 2012. Shares issued upon the exercise of share options will rank equally with all other shares on issue in the Company.
Allottees	Analytica Limited
Use of funds raised	N/A

- 15 The Directors unanimously recommend you vote in favour of this resolution.



By mail:
CBio
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: 02 8280 7454



X99999999999

SHAREHOLDER VOTING FORM

I/We being a member(s) of CBio and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

the Chairman of the Meeting
(mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy and to vote for me/us on my/our behalf at the General Meeting of the Company to be held at **4:00pm on Thursday, 30 August 2012, at McCullough Robertson Lawyers, Level 11, 66 Eagle Street, Brisbane QLD** and at any adjournment or postponement of the meeting.
The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting. Please read the voting instructions overleaf before marking any boxes with an **X**

STEP 2

VOTING DIRECTIONS

Resolution 1

Ratification and approval of previous allotment and issue of shortfall shares

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 3

Ratification and approval of previous allotment and issue of shares issued in lieu of underwriting and placement services

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 2

Ratification and approval of previous allotment and issue of placement shares

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Resolution 4

Ratification and approval of previous allotment and issue of options

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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i * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **4:00pm on Tuesday, 28 August 2012**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



by mail:

CBio
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

If you would like to attend and vote at the General Meeting, please bring this form with you.
This will assist in registering your attendance.