

Medibio Limited

ACN 008 130 336

SUPPLEMENTARY PROSPECTUS

Important Information

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read together with the prospectus dated 23 July 2019 (**Prospectus**) issued by Medibio Limited ACN 008 130 336 (**Company**) which was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date.

This Supplementary Prospectus is dated 16 August 2019 and was lodged with ASIC on that date under section 719 of the Corporations Act. ASIC and ASX, and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meanings in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus prevails.

Electronic versions may be accessed at www.medibio.com.au.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

Purpose

The Company has issued this Supplementary Prospectus for the purpose of updating investors that the Company intends to accept applications under the Share Purchase Plan Offer (**SPP Offer**) up to a total amount of \$1,210,000, as a result of the Company exercising its discretion as set out in Section 5.7 of the Prospectus to raise more funds under the SPP Offer than the original amount of \$520,000. SPP Shares and Attaching Options subscribed for under the SPP Offer which exceed \$520,000 will be issued under the Company's available placement capacity under ASX Listing Rule 7.1.

Increase to SPP Offer limit

The Company is pleased to announce that it has received strong support from its shareholders under the SPP Offer. As at the date of this Supplementary Prospectus, the Company has received applications above the initial offer to raise \$520,000. This is an outstanding result for the Company and reflects the positive outlook for the Company's future.

Due to this strong demand, the Board has resolved to exercise its discretion (as set out in Section 5.7(e) of the Prospectus) to increase the amount of funds to be raised under the SPP Offer from \$520,000 to up to a maximum of \$1,210,000. The increase of the SPP Offer amount is subject to the Company's available placement capacity at the time of issuing securities under the SPP. The Company reserves its discretion to undertake a scale-back to the extent and in the manner it sees fit, such as where total applications exceed \$1,210,000.

The Board considers that the increase of the size of the SPP Offer to \$1,210,000 to be a more equitable approach to Shareholders as opposed to scaling back applications to \$520,000.

The Share Purchase Plan offer is set to close on 20 August 2019 unless extended. All other terms of the SPP Offer remain unchanged. As disclosed in the Prospectus, the SPP Offer remains conditional on member approval at the Company's EGM scheduled to be held on 19 August 2019.

Key Information

Effect of the Offer

The Company now seeks to raise up to \$1,210,000 under the SPP Offer. Assuming the entire amount of \$1,210,000 is raised under the SPP Offer, and all applicants apply for both SPP Shares and free Attaching Options:

- (a) the total number of SPP Shares to be issued will be 121,000,000; and
- (b) the total number of free Attaching Options to be granted will be 121,000,000.

Assuming the requisite Shareholder approvals are obtained at the EGM and completion of the Placement and Conversion, and assuming full subscription of the Offers under the Prospectus (including the increased SPP Offer as set out in this Supplementary Prospectus), the Table below sets out the capital structure of the Company upon completion of the Offers:

Shares (fully paid)	995,134,539
Partly paid shares	4,650,000
Options offered under the Prospectus and Supplementary Prospectus	836,333,040
Other options on issue	48,987,113
Convertible Notes	Nil
Total number of Shares on a fully diluted basis (ie: assuming all options on issue are exercised)	1,816,104,692


Use of Funds

The proceeds from the additional \$690,000 to be raised under the SPP Offer will be used in the same manner as the initial SPP Offer proceeds of \$520,000, being to progress commercialising its ilumen™ product into different markets, finalise its revised CE mark and file its new De Novo application with the FDA. The additional working capital will enable the continued growth of the Company's current products alongside its future products.

Authorisation

This Supplementary Prospectus is issued by the Company. In accordance with section 720 of the Corporations Act, each Director has authorised and consented to the lodgement of this Supplementary Prospectus with ASIC and has not withdrawn that consent prior to lodgement.

Signed for and behalf of the Company by:



David Kaysen
Chair, Managing Director and CEO