



Disclosure Announcement: 14 AUGUST 2006

CBio Limited Investment Update

The directors of CBio Limited are pleased to provide the following investment update on CBio Limited.

Sale of investment in BresaGen Limited (ASX: BGN)

CBio announced to the market on Friday 11 August 2006 that it had sold a 19.95% stake in BresaGen at 14 cents per share (cost price 5 cents per share) raising \$4.1m in cash. CBio has also indicated its intention to sell its remaining 17.1 % stake under a takeover offer for BresaGen which was announced last Friday. On completion of this sale a further \$3.6m will be raised. Total cash proceeds of \$7.7m. The completion of the sale of CBio's entire holding in BresaGen will realise a profit of \$4.9m.

Fund raising:

CBio has just raised \$2.5m by the placing of shares to sophisticated and professional investors at \$6 per share.

Licensing Negotiations:

The directors also wish to advise that licensing discussions are progressing well and directors will update shareholders in detail, when commercially able to do so.

Stephen Jones
Chairman.