

INFORMATION RELEASE: - 28 AUGUST 2009

CBIO LIMITED ANNOUNCES MINIMUM \$6 MILLION CAPITAL RAISING

CBio is pleased to announce the appointment of Novus Capital Limited as Financial Adviser and Underwriter to assist in the raising of capital via an Information Memorandum. The Company is seeking to raise a minimum of \$6 million in funds, which is fully underwritten by Novus Capital Limited, in order to fund the Company's on-going development program. The current offer is only available to sophisticated and professional investors and clients of an AFS licensee, such as financial planners and stockbrokers. The offer closes on 30 September 2009.

USE OF FUNDS

Funds raised under this capital raising will be applied to the current clinical trial and to IP development. The funds will also be applied to the opening of further domestic and international clinical sites and will allow CBio to start a scale-up manufacturing program to address the product requirements for future development projects. The Company plans to restart the recruitment phase for the clinical trial in the first half of 2010.

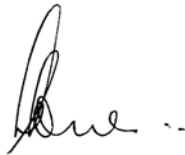
INTENTION TO TRANSITION TO LISTING ON ASX IN 2009

Subject to the satisfactory closing of this capital raising and conducive market conditions, it is the Board's intention to seek the listing of the Company on the Australian Securities Exchange in the fourth quarter of 2009. The Company has always intended to consider the option of listing when it was appropriate to do so. A pre-requisite to this was the issue of the Notice of Allowance of CBio's cornerstone patent in the US, the major global pharmaceutical market, and appropriate market conditions that are favourable for a listing. The capital markets have shown significant resilience and a number of IPOs are now under consideration by the ASX. We feel it is appropriate to consider the possibility of listing and the Board is currently pursuing this strategy with vigour. CBio's senior management have commenced working with leading stockbroker, Novus Capital, and other external advisors necessary in the process of planning for the future listing of the Company.

NOTICE OF MEETING

CBio intends to replace its existing constitution with a new and revised constitution. The new constitution will be appropriate for a public company and will incorporate the necessary provisions which will enable the Company to list on the ASX in 2009, without the need for additional amendments.

A General Meeting of shareholders will be necessary to facilitate this transition in adopting a new constitution. It is anticipated that further details on this meeting will be sent to shareholders of the Company over the next week.



Stephen Jones
Executive Chairman



Jason Yeates
Managing Director & CEO

ABOUT CBIO LIMITED

CBio Limited is an Australian unlisted public company founded in 2001, with a global focus. The Company's vision is to improve patient lives by focusing on developing new generation products for the treatment of autoimmune and inflammatory diseases.

CBio's business goal is to become a pre-eminent early stage developer of clinical therapeutics. To achieve this, CBio will continue to develop and protect its current technologies, leverage its technology platform to in-license and develop new therapeutic candidates, and complete commercial partnerships at the optimal stage of development. Crucially, CBio will continue to engage and strengthen partnerships with research and education institutions to identify and harness breakthrough research and technologies.

The intention of the Company has been to develop technologies for the treatment of autoimmune and inflammatory diseases. CBio's lead product is XToll[®] or recombinant chaperonin 10 (Cpn10). XToll[®] is a modified version of the naturally occurring protein chaperonin 10; and, as an endogenous regulator of the innate immune system, has the potential to represent a revolutionary shift for the treatment of inflammatory diseases. XToll[®] is currently being trialled in Phase II clinical trials in patients with rheumatoid arthritis.

For more information about CBio, please visit our website at www.cbio.com.au