

- **CBIO SUCCESSFULLY CLOSSES IPO**
- **\$20M RAISED IN 5 MONTHS INCLUDING OVER \$7M UNDER IPO**
- **ASX LISTING IMMINENT**
- **ASX CODE CBZ**
- **COMPANY TARGETS FIRST QUARTER MILESTONES INCLUDING RECRUITMENT IN CENTRAL & EASTERN EUROPE**

BRISBANE, 8 February 2010: CBio Limited, an Australian-based drug development company, today confirmed that it had successfully closed its Initial Public Offering and is expected to list on the Australian Securities Exchange with the ASX code of CBZ.

CBio chairman Stephen Jones said the Company took the decision to reduce the minimum subscription under the IPO in order to complete ASX listing and focus on commercial milestones.

“The Company raised \$20 million in the 5 months to February, over \$7 million of which has come in under the IPO, and in the current market that is a significant achievement. We are now completing preparations for ASX listing and are fully focussed on our extensive development program,” he said.

“The Company is targeting new clinical trial sites in Central and Eastern Europe and focussing on recruitment into the phase II clinical trial. We are on track to achieve milestones and have received overseas ethics approvals,” Mr Jones said.

“By opening up new overseas sites we expect full recruitment into this pivotal clinical trial this year,” he said.

The IPO prospectus was lodged with the Australian Securities and Investments Commission on 10 November, 2009, and is available at www.cbio.com.au

A further supplementary prospectus was lodged with the Australian Securities and Investments Commission on 22 December that reduced the minimum subscription under the IPO to \$7 million (from \$13 million). A total of \$7,101,717 was raised at \$1.00 per share under the offer. Statements to successful applicants will be issued by the Company’s share registry this week.

“Reducing the minimum and successfully closing the IPO provides the Company with 12 months working capital and will see full recruitment into the trial,” Mr Jones said.

“The company will carry out further fundraising to complete the program. However the current focus at this crucial development time is on achieving the milestones that are essential for commercial success. We have a strong history of successful capital raising and are confident in our strategy,” he said.

Funds raised will be used to continue development of XToll, a potential new-generation drug therapy which could provide safer and more effective global treatment of autoimmune diseases such as rheumatoid arthritis. Global sales of rheumatoid arthritis 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.

For further information:

Ian Pemberton
P&L Corporate Communications
T: +61 2 9241 6044
M: +61 402 256 576
ian.pemberton@plcorporate.com.au

Melanie Farris
Manager Corporate Projects
CBio Limited
T: +61 7 3841 4844
melanie.farris@cbio.com.au

About CBio:

CBio is an Australian company established in 2000 to develop technologies for the treatment of autoimmune and inflammatory diseases. CBio's lead product XToll is currently being trialled in phase II clinical trials in patients with rheumatoid arthritis (RA). To date, phase I and phase IIa clinical trials have been completed in RA, psoriasis and multiple sclerosis. Results from the early RA trial were published in leading medical journal The Lancet. Data for activity in psoriasis was published in Archives of Dermatology. Multiple sclerosis data has been published in the Multiple Sclerosis journal.

CBio's science has been recognised via its participation in a number of grants including the Federal Government Pharmaceutical Partnerships Program (P3) and the Australian Research Council's Linkage Project scheme which supports collaborative Research and Development projects between universities and industry. Research partners have included the University of Queensland, the University of New South Wales, and the Australian Institute of Biotechnology & Nanotechnology.

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 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).