

1 April 2010

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

Dear Sir,

CHANGE IN CONVERTIBLE NOTE TERMS

The Company has negotiated revised terms for four of the remaining five Convertible Notes on issue. The Notes total \$4,125,000 and have face values of between \$125,000 and \$1,000,000. The outstanding notes and their key terms are summarised in the table below.

These changes have enabled to Company to have an improved Balance Sheet, which meets the requirements of a funding proposal currently under consideration by the Company. Notes totalling \$4,000,000 are now recorded as non-current liabilities on the CBio Balance Sheet.


The expiry date for two notes, totalling \$2,000,000, has been extended to 31 December 2011. An additional 3,000,000 shares will be issued to the Note holder under the revised terms of the Note.

The Company has also negotiated an extended expiry date with the holder of \$2,000,000 in Notes expiring 31 December 2010. The new expiry date will be 30 June 2011. Final terms in relation to this amendment are currently being finalised and the Company will advise the market upon completion.

As at 1 April 2010, the Notes outstanding may be grouped into three tranches based on their exercise and conversion features. Their key terms are as follows:

Value \$	Conversion Rate \$	Interest Rate p/a	Shares issued on conversion (pre- existing terms)	Additional shares issued under revised terms	Options issued if converted	Option exercise price \$	Note expiry
125,000	0.50	10%	250,000	-	125,000	1.00	31 Dec 2010
2,000,000	0.50	10%	4,000,000	-	2,500,000	1.00	31 Dec 2010
2,000,000	0.286	20%	4,000,000	3,000,000	2,500,000	1.00	31 Dec 2011
4,125,000	-	-	8,250,000	3,000,000	5,125,000	-	-

For and on behalf of the Board



BEN GRAHAM
 Company Secretary