

9 April 2010

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

Dear Sir,

**CLARIFICATION TO MISLEADING INFORMATION CIRCULATING IN THE MARKET**

The Company has become aware of incorrect information originating from a share trading website concerning the recent Notice of Change of Interests of Substantial Holder ("Notice") lodged by substantial holder and CBio Limited Director Dr Michael Monsour.

The incorrect information originated from the website [buyselltips.com](http://buyselltips.com).

CBio would like to correct this mis-information, which is not only factually incorrect, but is damaging to CBio, Dr Monsour and CBio's shareholders.

Subscribers to the above named website may have received correspondence from the website with the headline "Michael Monsour sells 2.5m CBIO shares". This headline is incorrect and grossly misleading.

To clarify the circumstances surrounding the recent Notice issued by Dr Monsour and for the avoidance of all doubt, at no stage did Dr Monsour (or his relevant interests) 'sell' any CBio shares.

The movement in the holding of Dr Monsour and his relevant interests came about due to an in-specie distribution of CBio shares by Australian Technology Innovation Fund (ATIF), an unlisted public company in which Dr Monsour is one of over 200 shareholders and a director. Dr Monsour has a relevant interest in the CBio shares held by ATIF and is required by law to disclose this interest (and subsequent movements) on his Notice and corresponding Appendix 3Y.

This information was clearly set out in the Form 604 and Appendix 3Y's lodged by CBio on 25 March.

The Company has contacted the source of the mis-information and demanded that their record be corrected and their subscribers be advised of this correction to the previously misleading and incorrect information.

At this stage the Company is not aware of any other misleading information which may be circulating, however it will continue to advise the market should examples of further incorrect and misleading information be discovered.

CBio would like to advise shareholders that the only source of correct information relating to the Company is that information released by CBio to the market, and can be found in announcements lodged on the ASX ([asx.com.au](http://asx.com.au)) or on CBio's website ([cbio.com.au](http://cbio.com.au)).

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Shareholders who require further clarification are asked to contact the Company Secretary.

For and on behalf of the Board



**BEN GRAHAM**  
Company Secretary

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