

27 September 2010

Dear Shareholder,

Non-renounceable Rights Issue- Ineligible Shareholders

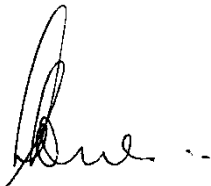
Please find enclosed a section 708AA Rights Issue Cleansing Notice and Information Booklet relating to the CBio Limited (ASX: **CBZ**) non-renounceable Rights Issue for your information only.

Only eligible Shareholders registered as holders of shares at the record date of 6 October 2010 with a registered address in Australia or New Zealand may participate in the offer.

The Company considers it unreasonable on this occasion to extend the offer to shareholders with a registered address outside of Australia having regard to the small number of such shareholders and the costs of complying with legal and regulatory requirements in each of those jurisdictions.

Thank you for your continued support of CBio and I trust you understand the Company's position in this matter.

Yours sincerely



STEPHEN JONES
Executive Chairman