

24 November 2010

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

Dear Sir,

RESIGNATION OF DIRECTOR; DR DENNIS FEENEY FROM THE BOARD

CBio Limited (ASX: CBZ) wishes to announce that Dr Dennis Feeney has resigned his position as a non-executive Director of the Company.

Dr Feeney has recently obtained a significant commercial and regulatory role with another company and is pursuing these interests and thus has advised the Chairman that he will not have the time to devote to CBio.

Dr Feeney joined CBio as its Chief Scientific Officer in 2003 and was appointed President of Global Development & Licensing in 2006. Dr Feeney played a significant role in creating the productive interactions the Company now has with large pharma companies.

Appointed an Executive Director in 2007 Dr Feeney resigned his executive role with the Company in September and has acted in the role of a non-executive Director since that time.

“ Dr Feeney has made a significant contribution to CBio throughout his tenure at the Company and it is with regret that I have accepted his resignation” said CBio Chairman Mr Stephen Jones. “ On behalf of his fellow Directors and the staff of CBio I would like to thank him for his efforts and wish him well in his future roles”.

An Appendix 3Z will follow this announcement.

Withdrawal of Resolution from Annual General Meeting

Following the resignation of Dr Feeney the Company has withdrawn Resolution 4 from the Annual General Meeting as this resolution related to the re-election of Dr Feeney as a Director.

For and on behalf of the Board

BEN GRAHAM
Company Secretary

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About CBio

CBio is an Australian ASX listed company established in 2000. CBio's lead product XToll® is a potential new-generation drug therapy which could provide safer and more effective treatment of autoimmune diseases such as rheumatoid arthritis. It is currently being trialled in phase II clinical trials in patients with rheumatoid arthritis (RA). Global sales of RA 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®.

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).

About Rheumatoid Arthritis

Rheumatoid Arthritis is a chronic autoimmune disease, mainly characterised by inflammation of the lining of the joints. It can lead to long-term joint damage, resulting in chronic pain, loss of function and disability. The effects of RA are systemic, which means it can affect other organs in the body, and cardiovascular dysfunction in addition to RA is common. RA symptoms can make even the simplest activities – such as opening a jar or taking a walk – difficult to manage. RA has a worldwide distribution with a prevalence of 1 to 2% – which currently equates to approximately 100 million people. Prevalence increases with age, approaching 5% in women over age 55. RA is two to three times more common in women than in men and generally occurs between the ages of 40 and 60, but it can also affect young children and older adults. Currently, there is no cure.