

27 January 2011

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

Dear Sir,

APPOINTMENT OF DR THOMAS LÖNNGREN TO CBIO BOARD

CBio Limited (ASX: CBZ) is pleased to announce the appointment of Dr Thomas Lönngren as a Non-Executive Director of CBio Limited.

Dr Lönngren joins CBio after retiring from his post as Executive Director of the European Medicines Agency (EMA) in December 2010.

The EMA is the European Union's drug regulator and along with the US FDA, is the most senior drug regulator in the world. Dr Lönngren was the executive in charge of this agency.

Dr Lönngren has also accepted an invitation to join the Scientific Advisory Board of the pharmaceutical company H Lundbeck A/S, and will act in an advisory role to Novo Nordisk. Dr Lönngren is a Senior Advisor to the US-based healthcare fund Essex Woodlands and to the leading EU regulatory consultancy group NDA. The Board of NDA counts among its members the ex regulators from EMA and the National regulatory agencies in Europe.

"The addition of Dr Lönngren to the CBio Board is a coup for CBio as Dr Lönngren's knowledge of drug development and regulatory affairs is both contemporary and unmatched elsewhere, and this will be invaluable at this crucial time for CBio as the current RA clinical trial moves to conclusion" said CBio Limited Executive Chairman Mr Stephen Jones.

"Dr Lönngren's voice and recent appointment's within the international pharmaceutical industry underscores his reputation in the global drug development community".

Dr Thomas Lönngren - Biography

Dr Thomas Lönngren served as the Executive Director of the European Medicines Agency (EMA) from 2001 through to his retirement in December 2010.

He qualified as a pharmacist from the University of Uppsala in 1976 and holds a MSc in social and regulatory pharmacy. From 1976-78 he was a lecturer at Uppsala University, Sweden.

He served with the Swedish National Board of Health and Welfare from 1976-90 with responsibilities including herbal medicines, cosmetics, medical devices, narcotics and contraceptives. During 1982-94 he acted as senior pharmaceutical consultant for the Swedish International Development Agency's health cooperation programme in Vietnam.

In 1990 he was appointed Director of Operations of the Swedish Medical Products Agency, later becoming Deputy Director-General of the Agency.

He was an Honorary Member of the Royal Pharmaceutical Society of Great Britain in 2003 and made an Honorary Fellow of the Royal College of Physicians in 2004. He was granted an Honorary Doctorate from the University of Uppsala in and received Drug Information Associations Distinguished Career Award in 2008.

For and on behalf of the Board of CBio Limited

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 (Copenhagen: NOVO-B.CO; NYSE: NVO), 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.