

28 February 2011

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

Dear Sir,

APPENDIX 3Y

On 22 February 2011, Dr Michael Monsour reorganised his CBio Limited share holdings and transferred 331,288 CBio shares from a company he controls into his superannuation fund. Dr Monsour retains control of these shares.

An appendix 3Y in relation to this transfer is attached to this notice.

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 Thomas Lonngren (former Executive Director of the European Medicines Agency), Dr Terje Kalland (retired Vice President

Biopharmaceuticals Research Unit- Novo Nordisk), 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.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	CBIO LIMITED
ABN	76 094 730 417

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	DR MICHAEL MONSOUR
Date of last notice	25 JANUARY 2011

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct: Dr Michael Monsour Indirect: Described below
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	<ol style="list-style-type: none"> 1. MP Monsour Medical Practice Pty Ltd <MP Monsour Medical Practice Superannuation Fund A/C> 2. MPAMM Pty Ltd 3. Australian Technology Innovation Fund Limited. 4. Australian Biofunds Investments Limited <p>Dr Monsour is a Director and shareholder of the entities identified above.</p>
Date of change	22 February 2011

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

<p>No. of securities held prior to change</p>	<ol style="list-style-type: none"> 1. Dr Michael Monsour 65,464 ordinary shares 2. MP Monsour Medical Practice Pty Ltd <MP Monsour Medical Practice Superannuation Fund A/C> 1,807,629 ordinary shares and 1,490,000 share options 3. MPAMM Pty Ltd 7,384,441 ordinary shares and 1,614,000 share options 4. Australian Technology Innovation Fund Limited 289,118 ordinary shares 5. Australian Biofunds Investments Limited 199,755 ordinary shares
<p>Class</p>	<p>Ordinary</p>
<p>Number acquired</p>	<p>MP Monsour Medical Practice Pty Ltd <MP Monsour Medical Practice Superannuation Fund A/C> 331,288 ordinary shares</p>
<p>Number disposed</p>	<p>MPAMM Pty Ltd- 331,288 ordinary shares</p>
<p>Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation</p>	<p>\$132,515</p>
<p>No. of securities held after change</p>	<ol style="list-style-type: none"> 1. Dr Michael Monsour 65,464 ordinary shares 2. MP Monsour Medical Practice Pty Ltd <MP Monsour Medical Practice Superannuation Fund A/C> 2,138,917 ordinary shares and 1,490,000 share options 3. MPAMM Pty Ltd 7,053,153 ordinary shares and 1,614,000 share options 4. Australian Technology Innovation Fund Limited 289,118 ordinary shares 5. Australian Biofunds Investments Limited 199,755 ordinary shares
<p>Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</p>	<p>Reorganisation of Director's holdings involving the transfer of securities from one related entity to another.</p>

Part 2 - Change of director's interests in contracts

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	n/a
Nature of interest	n/a
Name of registered holder (if issued securities)	n/a
Date of change	n/a
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	n/a
Interest acquired	n/a
Interest disposed	n/a
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	n/a
Interest after change	n/a

Part 3 - ⁺Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	n/a
If prior written clearance was provided, on what date was this provided?	n/a

⁺ See chapter 19 for defined terms.