

28 March 2011

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

Dear Sir,

- **CBIO ANNOUNCES ACHIEVEMENT OF CLINICAL TRIAL MILESTONE**
- **NEW PATENT LODGEMENTS FOR ADDITIONAL INDICATION - LUPUS**

#### **FINAL DOSING FOR LAST PATIENT IN RHEUMATOID ARTHRITIS TRIAL**

Australian drug development company CBio Limited (ASX: CBZ) today announced a milestone achievement in the clinical development program of its lead drug, XToll®.

The last patient recruited into the current phase IIa rheumatoid arthritis (RA) clinical trial has completed dosing. A total of 155 patients participated in this study at clinical trial sites throughout Australia, New Zealand and Central and Eastern Europe.

Over the coming three months, the RA data will be collated and audited. CBio expects to receive data tables and listings relating to the trial in June 2011, when it will be analysed before being presented to pharmaceutical companies. The final study report is due for completion later in 2011.

#### **LUPUS PATENTS LODGED**

CBio has lodged two further patent applications claiming the use of XToll® for the "Prevention and treatment of cutaneous lupus erythematosus". The applications filed were a Patent Cooperation Treaty (PCT) application, and a corresponding patent application in Taiwan.

The first application in this patent family was filed in March 2010 with the United States Patent and Trademark Office. The priority date for all members of this patent family is 30 March 2010.

For and on behalf of the Board of CBio Limited

#### **BEN GRAHAM**

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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 negotiations for a licence agreement for the intellectual property rights relating to XToll®.

CBio's Board includes internationally experienced drug developers including Dr Göran 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 Lönngrén (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.