cbio
LIMITED

CBio Limited ABN 76 094 730 417 ACN 094 730 417
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12 October 2011

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

Dear Sir,

CBIO LIMITED BOARD AND EXECUTIVE CHANGES

CBio Limited (ASX: CBZ) wishes to advise a number of changes to the structure of the Board and the Executive of the company.

Executive Chairman Mr Stephen Jones has stepped down from his executive role and will remain on the Board as non-executive chairman. Mr Jones is CBio's founding chairman and has held the position of executive chairman since 2006.

Managing Director Mr Jason Yeates and Finance Director Mr James Greig have also stepped down from their executive roles and will remain on the Board as non-executive directors.

Mr. Jones and Mr. Yeates will continue to manage the company's relationship with Novo Nordisk and other pharmaceutical companies in their capacity as non-executive directors.

CBio's Head of Clinical Development, Dr Daina Vanags, has been appointed Chief Operating Officer and will oversee the ongoing clinical and scientific direction of the company. Dr Vanags has been with CBio since 2004 and is experienced in pre-clinical and clinical trial design, scientific development and regulatory development.

CBio's Company Secretary, Mr Ben Graham, has been appointed to the role of Chief Financial Officer. Mr. Graham, who is a qualified accountant, has been CBio's financial accountant since 2005 and its company secretary since 2007. Mr. Graham will step down as company secretary in the near future.

"The timing is certainly right to make these changes" said CBio Chairman Mr Stephen Jones. "The clinical trial is now complete and we are in the process of finalising the study report, which will be delivered to Novo Nordisk as well as other pharma companies in the near future. XToll is now developed to a stage where it is being considered by multinational pharmaceutical companies. The purpose of my executive role has thus been fulfilled."

"Jason Yeates has been an outstanding chief executive officer and managing director in what have been at times very difficult circumstances. Jason has been instrumental in developing the relationships we have with multinational pharma companies and I hope that this will bear fruit for all shareholders in the future."

"James Greig has been a determined and highly effective chief financial officer and finance director. His commitment to the company, its staff and to XToll has shown no limits. We are in a strong financial position today due in large part to James's efforts and skills."

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"I would like to thank both Jason and James for their contributions as executive directors and I wish Dr Vanags and Mr Graham, both of whom are very capable and dedicated CBio executives, the very best in their new roles."

"The company will now undertake a search for a new CEO."

CBio completed a 155-patient, phase IIa trial in rheumatoid arthritis earlier in the year and is currently finalising an underwritten $10.8 million, Rights Issue.

"The Company is certainly in a very strong position" said Mr. Jones. "We have had good support from existing shareholders under the Rights Issue and we are currently finalising the clinical study report, details of which will be released to the market at the appropriate time "

For and on behalf of the Board of CBio Limited.

BEN GRAHAM
Company Secretary

About CBio Limited

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 (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®. XToll® has been trialled in over 330 patients with no pattern of treatment-emergent serious adverse effects. The company's largest clinical trial to date completed in Q2 2011. 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 Lönngren (former Executive Director of the European Medicines Agency), Dr Terje Kalland, Chief Scientific Officer of Karolinska Development (formerly Senior-Vice President Biopharmaceuticals Research Unit- Novo Nordisk and Head of Oncology Research, Pharmacia); 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.

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