

Probiomics Limited

ABN 97 084 464 193

Suite 1 A, Level 2
802 Pacific Highway
Gordon NSW 2072

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F: +61 2 9844 5445

W: www.probiomics.com.au

The Australian Stock Exchange Limited
Companies Announcements Office
SYDNEY

26 May 2009

Dear Sir/Madam

RE: SECTION 708A(6) NOTICE AND APPENDIX 3B

Notice pursuant to subsection 708A(5)(e) of the Corporations Act 2001 (Cth)(Act)

1. Probiomics Limited (PCC) is pleased to announce that it has now completed the private placement of 17,000,000 shares to sophisticated and professional investor clients of Taylor Collison Limited at a price of \$0.006 per share. Under the terms of the placement Taylor Collison Limited will be paid a placement fees of 6% of the total amount raised and issued 2,500,000 options at a strike price of \$0.02 each, expiring 5 years from the date of issue.
2. As required under subsection 708A(6) of the Act, the Company advises that:
 - the Company issued the securites to sophisticated and professional investors without the disclosure to investors under Part 6D.2 of the Act;
 - this Notice is being given pursuant to subsection 708A(5)(e) of the Act;
 - a) the provisions of Chapter 2M of the Act as they apply to the Company,
 - b) and section 674 of the Act; and
 - as at the date of this Notice, the Company is not in possession of any excluded information as defined in subsection 708A(7) and 708A(8) of the Act.
3. Pursuant to the General Meeting held on 15 May 2009, the Company has also issued 45,000,000 ordinary shares to Convertible Note Holders at a conversion price of \$ 0.01 per share.
4. Please find attached related Appendix 3B.

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Yours sincerely,



ASHOK JAIRATH
Company Secretary

CONTACTS

Mr Ashok Jairath - Chief Financial Officer and Company Secretary

Tel: 02 9844 5422

Email ashok.jairath@probiomics.com.au

About Probiomics Limited

Probiomics has proprietary ownership of a unique probiotic strain – PCC[®]

PCC[®] has been clinically proved to have superior qualities to other probiotic strains – particularly in promoting systemic immune response.

Probiomics' commercial objective is to earn royalties from licensing PCC[®] to distribution companies selling products in global markets.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

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 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Probiomics Limited

ABN

97 084 464 193

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | 1) Ordinary shares pursuant to conversion of convertible notes;
2) Ordinary shares pursuant to private placement;
3) Options to acquire ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1) 45,000,000 ordinary shares
2) 17,000,000 ordinary shares
3) 2,500,000 options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1) Conversion of \$ 450,000 convertible notes at a conversion price of \$0.01 per share in accordance with share holder approval at the General Meeting held on 15 May 2009.
2) Issue of shares pursuant to \$ 102,000 raised through private placement at \$0.006 per share under listing rule 7.1
3) \$0.02 option exercisable on or before 24 May 2014 |

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	1& 2) rank equally. 3) No – Upon exercise of the options to ordinary shares, the allotted shares will rank equally in all respects on the date of issue.				
5	Issue price or consideration	1) Conversion of convertible notes at \$0.01 per share 2) \$0.006 per share 3) Nil- free options under the terms of private placement agreement with Taylor Collison Limited				
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	1 & 2) Working capital. 3) Issue of free options under private placement agreement				
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	1) 25 May 2009 2) 25 May 2009 3) 25 May 2009				
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>294,235,077</td><td>PCC- Ordinary fully paid shares</td></tr></table>	Number	+Class	294,235,077	PCC- Ordinary fully paid shares
Number	+Class					
294,235,077	PCC- Ordinary fully paid shares					

+ See chapter 19 for defined terms.

9 Number and ⁺class of all ⁺securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>*Class</th> </tr> </thead> <tbody> <tr> <td>50,000</td> <td>PCCAA Unsecured Convertible notes at conversion price of 0.04 cents. Conversion to ordinary shares maturing 30 September 2009 onwards</td> </tr> <tr> <td>15,000,000</td> <td>PCCAI Options expiring 25 November 2013</td> </tr> <tr> <td>2,000,000</td> <td>PCCAK Options expiring 3 December 2013</td> </tr> <tr> <td>2,500,000</td> <td>Options expiring 24 May 2014</td> </tr> </tbody> </table>	Number	*Class	50,000	PCCAA Unsecured Convertible notes at conversion price of 0.04 cents. Conversion to ordinary shares maturing 30 September 2009 onwards	15,000,000	PCCAI Options expiring 25 November 2013	2,000,000	PCCAK Options expiring 3 December 2013	2,500,000	Options expiring 24 May 2014
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2,000,000	PCCAK Options expiring 3 December 2013										
2,500,000	Options expiring 24 May 2014										
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	As determined by the Directors from time to time in accordance with the Company's Constitution										

Part 2 - Bonus issue or pro rata issue

- | | | |
|----|---|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or sub-registers) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents | |
- Note: Security holders must be told how their entitlements are to be dealt with.
- Cross reference: rule 7.7.

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	
33	⁺ Despatch date	

⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 ☐ Number of securities for which +quotation is sought

39 ☐ Class of +securities for which quotation is sought

40 ☐ Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

+ See chapter 19 for defined terms.

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- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another security, clearly identify that other security)

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- 42 Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in clause 38)

Number	⁺ Class

⁺ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Company Secretary

Date: 26 May 2009

Print name:

Ashok K Jairath

+ See chapter 19 for defined terms.