

4 November 2011

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

Dear Sir,

APPLICATION FOR QUOTATION OF ADDITIONAL SECURITIES (APPENDIX 3B)

Attached to this announcement is an Appendix 3B - New issue announcement, application for quotation of additional securities and agreement.

In 2009, Analytica Limited, a company in which Dr Michael Monsour is Chairman, entered into a 'best endeavours' agreement with CBio to subscribe for up to \$1 million in Convertible Notes prior to CBio listing on the ASX. Each Note had a conversion price of \$0.50 per share plus two free attaching options for each share issued on conversion of the Note. The Options would have an exercise price of \$1.00 and expire 31 December 2012. Prior to entering into this agreement, Analytica subscribed for \$500,000 in Convertible Notes on the same terms.

An agreement between CBio and Analytica was reached in which the right to subscribe for the Note would be transferred to a Melbourne stockbroking firm and that in exchange for Analytica giving up its right to subscribe for the Note, Analytica would be issued 2 million share options, with an exercise price of \$1.00 and an expiry date of 31 December 2012. A Deed of Novation was entered into.

Due to clerical error the 2 million share options were not previously issued to Analytica. This oversight was recently revealed and has now been rectified.

For and on behalf of the Board of CBio Limited

ROSLYNN SHAND
Company Secretary

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, 24/10/2005.

Name of entity

CBio Limited

ABN

76 094 730 417

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
2. Share Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 18,932,165 ordinary shares
2. 2,000,000 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) | Ordinary Shares rank pari passu with existing Ordinary Shares.

Share options have an exercise price of \$1.00 and an expiry date of 31 December 2012. |

+ 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	Yes – ordinary shares No – ordinary shares issued upon exercise of options will rank equally with existing ordinary shares						
5	Issue price or consideration	1. 13,081,039 ordinary shares at \$0.18 per share and 5,851,126 ordinary shares issued in lieu of payment for underwriting and placement services provided to the Company 2. Options - nil						
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	1. Shares issued pursuant to a placement to professional & sophisticated investors as announced to the market on 1 November 2011 2. Options issued in relation to an agreement for the assignment of a right to subscribe for a convertible note						
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	3 November 2011						
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>235,785,219</td><td>Ordinary Shares</td></tr><tr><td>20,787,355</td><td>Share options exercisable at \$1.00 each on or before 31 December 2012</td></tr></table>	Number	⁺ Class	235,785,219	Ordinary Shares	20,787,355	Share options exercisable at \$1.00 each on or before 31 December 2012
Number	⁺ Class							
235,785,219	Ordinary Shares							
20,787,355	Share options exercisable at \$1.00 each on or before 31 December 2012							

⁺ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Restricted fully paid shares and share options, unlisted share options and convertible notes.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the +securities will be offered	Not applicable
14	+Class of +securities to which the offer relates	Not applicable
15	+Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable
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.	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable

+ See chapter 19 for defined terms.

20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
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	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable

+ See chapter 19 for defined terms.

- | | | |
|----|---|----------------|
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | Not applicable |
| 33 | +Despatch date | Not applicable |

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

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	Not applicable	
39	Class of +securities for which quotation is sought	Not applicable	
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	Not applicable	
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)	Not applicable	
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	Number	+Class
		Not applicable	

+ 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.
 - 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: 4 November 2011

Print name: Roslynn Shand

+ See chapter 19 for defined terms.

ATTACHMENT A

Number and ⁺class of all ⁺securities not quoted on ASX (*including* the securities in clause 2 if applicable)

(a) ASX Restricted Securities (not quoted)

Number	⁺ Class
3,359,744	Ordinary fully paid shares, classified by ASX as restricted securities and to be held in escrow for a period of 24 months from the commencement of official quotation
15,087,494	Share options exercisable at \$1.00 each on or before 31 December 2012, classified by ASX as restricted securities and to be held in escrow for a period of 24 months from the commencement of official quotation

(b) Securities Not Quoted

Number	⁺ Class
710,000	Share options exercisable at \$2.00 each on or before 31 December 2012
600,000	Share options exercisable at \$3.00 each on or before 31 December 2012
1,700,000	Share options exercisable at \$0.517 each on or before 16 May 2015

(c) Convertible Notes on Issue

Number	⁺ Class
2	Convertible Notes with a face value of \$1,000,000 each expiring 31 December 2011

(d) Performance Rights on Issue

Number	⁺ Class
3,100,000	Performance Rights expiring 19 July 2018

⁺ See chapter 19 for defined terms.