



Investor Update

"The need for screening for and early detection of depression in primary care services is unarguable."

- World Federation for Mental Health

Dear Shareholders,

The past quarter has been an eventful time for Medibio, with the company having achieved a number of significant milestones on the path to commercialisation.

Earlier this month we produced and validated the first objective test to measure stress and its impact on health and wellbeing, developed using our patented Circadian Heart Rate (CHR) technology. The successful development of the world's first evidence-based test for chronic stress represents a global breakthrough and potentially a new gold standard in mental health diagnosis.

The ability to accurately assess the impact of stress via a simple test has the potential to save the global healthcare system billions of dollars, with workplace stress alone costing Australian employers ~\$10 billion and ~\$200-300 billion in the United States annually. Medibio is targeting workplace stress as a primary market due to its scope and revenue potential.

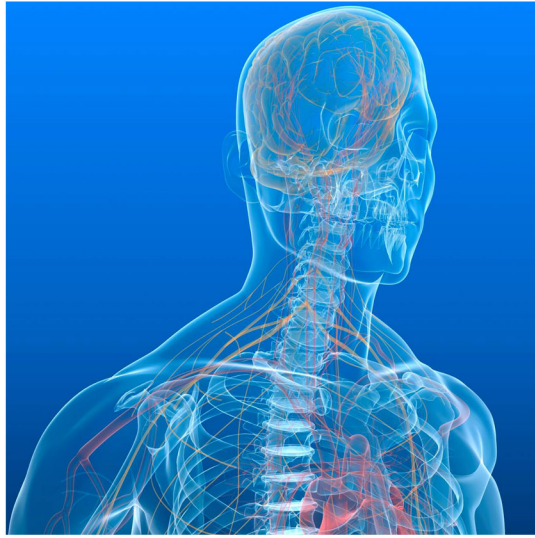
In May, we announced a Memorandum of Understanding (MoU) with US device manufacturer Preventice Solutions, for the commercial delivery of our depression diagnostic test via Preventice's health data platform. Preventice's BodyGuardian heart sensor is the first small size, comfortable, light weight, non-intrusive wearable sensor that provides continuous 24-hour near real-time cardiac monitoring. In addition to securing this MoU, we are working with a number of ECG device manufacturers who want to ensure the compatibility of their monitors with our stress assessment test.

We also processed the first participant in our depression validation study being conducted by the University of New South Wales and the Black Dog Institute. The study will demonstrate that Medibio's diagnostic tool is able to distinguish between melancholic and non-melancholic depression. The significance of this differentiation is paramount as it ensures patients can be more effectively treated. It is expected that all of the 80 planned participants will have been assessed by the end of the third quarter, with the study on track to be completed and to have results published this year.

We also announced the acquisition of U.S. and Canadian patents that cover our CHR technology, assuring our monopoly rights in the United States, the largest medical diagnostic market in the world. We completed a substantial corporate restructure which involved accelerating the acquisition of 100% of our CHR technology, simplification of our capital structure and \$2.6 million capital raise which will provide funding for our trials and commercialisation of our stress test. In the coming quarter, investors can expect further news around the completion and commercial launch of our corporate stress product, announcement of foundation customers, strategic partners and research alliances which will open up new commercial opportunities and the launch of our Consumer Stress App.

Kris Knauer
CEO/Director



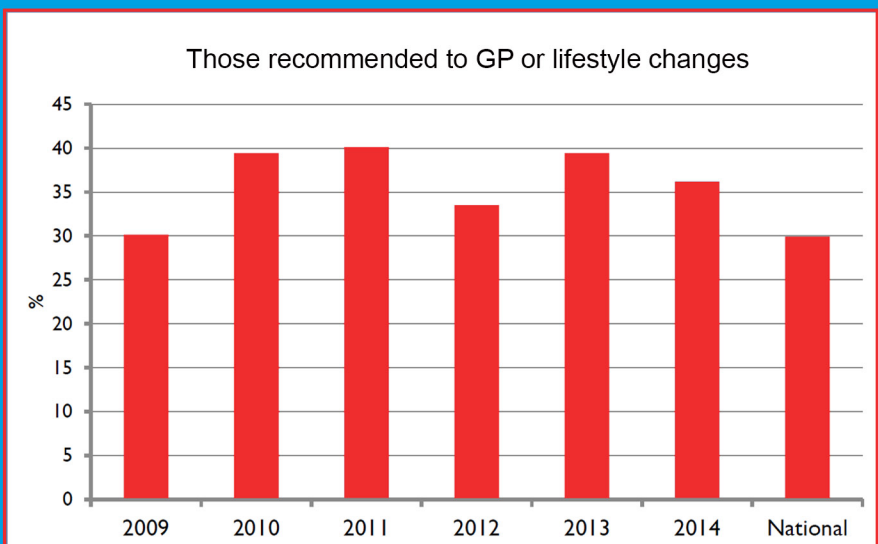
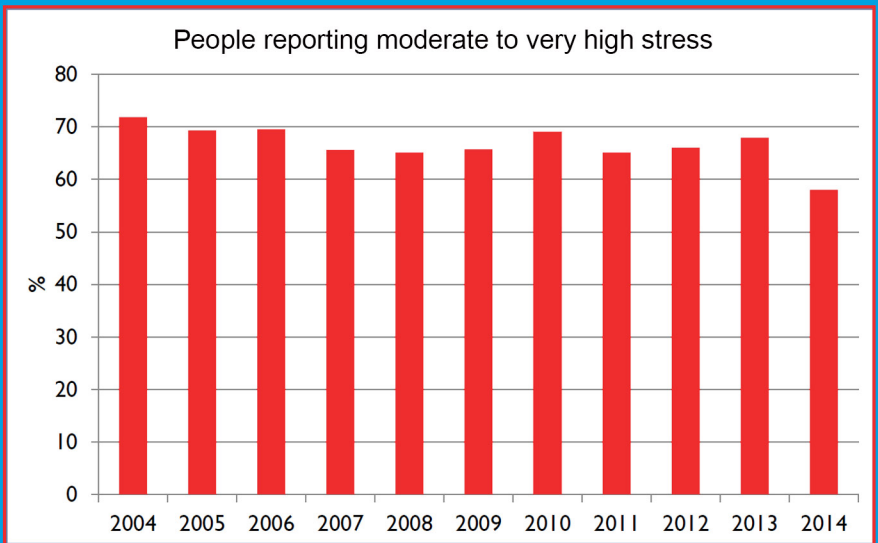


Stress in the workplace

A sample and snapshot of employee health

A study completed by the University of Wollongong and Workplace Health Association Australia profiled participants to determine the extent of stress in the workplace.

The study found that 65.1% of employees reported moderate to high stress levels and 41% had psychological distress levels considered to be at-risk. Across the age bracket of 25-64 years, 75% had moderate to high levels of stress. These results suggest that organisations need to continue efforts to create mentally healthy workplaces.



Source: Health Profile of Australian Employees (2013)

Mental health: Stress by gender

- More than half of both females and males reported moderate or high stress levels, with levels being similar between the genders.
- High stress was reported by 17.4% of females and 18.7% of males.
- Moderate stress levels were reported by 52.9% of females and 47.2% of males.
- Nationally, 74% of working women report that stress is having at least some impact on their mental health.

To access the full University of Wollongong and Workplace Health Association Australia report, [click here.](#)

Broker Research

Baillieu Holst: Bright prospects for a dark subject

During the quarter, Baillieu Holst released updated research on Medibio with a Speculative BUY recommendation and price target of \$0.55/share, representing upside of ~66% on the current share price.

Analyst Nicolas Burgess said: *"We maintain a BUY on the stock with a Speculative risk rating."*

"MEB is aiming to introduce the first FDA-approved, evidence based test for depression and anxiety. Should the test be validated and successfully commercialised, the scope of the potential revenue opportunity is substantial, with a large prevalence of depression in most industrialised countries."

"Product developments on two fronts (medical and corporate) are well underway. MEB has engaged the John Hopkins School of Medicine in the USA to validate its technology to support FDA certification. Meanwhile, the company is also developing a corporate stress and mental wellness product, and investigating potential distribution and/or licensing arrangements with third parties in Australia."

[Click here to view the full Baillieu Holst research note.](#)

Articles of Interest

[The Weekly Times - Medibio discovers heart rate link to depression diagnosis](#)

[Australian Financial Review - Stressed white-collar workers contribute to insurer TAL's \\$1 billion in claims](#)

[Business Insider - How to know if you're actually depressed](#)

[ABC News - Men more likely to talk about suicidal thoughts with loved ones than doctor, Black Dog Institute study finds](#)

[Nuvian - New Ways to Diagnose Mental Health](#)

[ABC News - Mental health: Employees speak of difficulty re-entering workforce following depression, anxiety](#)

[Medical Daily - Nearly 1 in 10 Men Have Depression Or Anxiety, But Don't Seek Treatment](#)

[Huffington Post - 7 Celebrities Describe What It's Like To Suffer A Panic Attack](#)

[Australian Financial Review - Six steps to busting stress when things go wrong at work](#)



Recent company Announcements

Medibio lodges provisional patent covering stress breakthrough

Sydney, Australia – 2 July 2015: Medibio Limited has lodged with the US Patent office a provisional patent application covering its objective test to measure the level of stress and its impact on health and wellbeing.

[Click here to view the full ASX announcement.](#)

Medibio develops ground-breaking test for stress measurement and its impact on health and wellbeing

Sydney, Australia – 17 June 2015: Medibio Limited announced that it has produced and validated the first objective test to measure the level of stress and its impact on health and wellbeing.

[Click here to view the full ASX announcement.](#)

Medibio enters into MOU with Preventice Solutions

A leading US provider of remote monitoring products and services

Sydney, Australia – 28 May 2015: Medibio Limited announced that it has entered into an MOU with Preventice Solutions (Preventice Inc).

[Click here to view the full ASX announcement.](#)

Investor Presentation

Sydney, Australia - 20 May 2015: Medibio Ltd released an investor presentation updating investors on the company's milestones completed this quarter, and plans for the quarter ahead.

[Click here to view the presentation.](#)

Medibio processes first participant in UNSW/Black Dog Institute depression test validation study

Sydney, Australia – 11 May 2015: Medibio Limited announced that its first pivotal study, being conducted by the University of New South Wales and the Black Dog Institute, has processed its first participant.

[Click here to view the full ASX announcement.](#)

Medibio acquires the US and Canadian patents covering the use of its Circadian Heart Rate technology

Sydney, Australia – 21 April 2015: Medibio Limited entered into a binding agreement to acquire the U.S. and Canadian patents covering its CHR technology.

[Click here to view the full ASX announcement.](#)

Medibio appoints highly distinguished US medical expert to its Physician Advisory Board

Sydney, Australia – 14 April 2015: Medibio Limited announced the appointment of Franklyn G. Prendergast, M.D., Ph.D., to its Physician Advisory Board.

[Click here to view the full ASX announcement.](#)



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