

ASX Announcement

Medibio Limited – 10 February 2021



Medibio to Raise up to \$3.5 million By Way of a Placement and SPP

Melbourne, Australia and Minneapolis, MN – 10 February 2021: Medibio Limited (“MEB” or “Medibio”)(ASX: MEB)(OTCPINK: MDBIF) is pleased to announce a strongly supported \$3 million capital raising and a share purchase plan (“SPP”) for \$500,000 that is expected to be fully underwritten by the Lead Manager.

In commenting on the raising, Claude Solitario, Managing Director of Medibio Ltd said:

"It is very pleasing to advise that the Placement was strongly supported with demand from existing shareholders of the Company, as well as new investors joining the share register. We're also pleased to offer existing shareholders the chance to subscribe, subject to shareholder approval, for shares and be offered options on the same terms as the Placement. These funds will allow us to progress the depressive burden trial; accelerate commercialisation activities for the Company's MEBsleep and ilumen products; and complete the development of the consumer app in preparation for its commercial launch later this year."

HIGHLIGHTS:

- ✓ Commitments received for \$3 million placement at \$0.009 (0.9 cents) per fully paid ordinary share.
- ✓ SPP on the same terms, expected to be underwritten for \$500,000.
- ✓ Issue price of \$0.009, an 11.63% discount to the 15-day VWAP.
- ✓ Placement to be completed over two stages (Stage 2 will be subject to shareholder approval).
- ✓ Investors under the placement and Eligible Shareholders under the SPP to be offered 1 free attaching option for every four (4) new shares subscribed for, exercisable at \$0.015 (1.5 cents) on or before an expiry date of 28 February 2024 and for which the Company will seek quotation on the ASX (**New Options**).
- ✓ Issue of securities under Stage 2 of the Placement and the SPP (including underwritten shortfall should the expected underwriting proceed) is subject to shareholder approval, to be sought at an EGM to be held in March 2021.

Placement

The Company has received commitments to raise \$3 million capital through the issue of 333,333,333 new fully paid ordinary shares in the Company (**New Shares**) to unrelated sophisticated and professional investors at an issue price of \$0.009 per New Share, with the offer of 1 free attaching option for every four (4) New Shares issued (**New Options**) (**Placement**). Each New Option will have an exercise price of

ASX Announcement



Medibio Limited – 10 February 2021

\$0.015 per New Option, entitling the holder to be issued one fully paid ordinary share on exercise of a New Option, and will be able to be exercised any time up until the expiry date of 28 February 2024. The Company will apply for quotation for both the New Shares and New Options (subject to the conditions of the ASX Listing Rules).

The Placement was lead managed by CPS Capital Group Pty Limited (**CPS**). Under the lead manager mandate, CPS (or its nominees) will be offered to subscribe for up to 94,000,000 New Options the grant of which will be calculated on a pro-rata basis proportionate to the amount of Placement securities issued to investors that are procured by CPS and subject to shareholder approval. The New Options to be issued to CPS will be granted in two tranches in accordance and in proportion with the two tranches by which the Placement will be undertaken such that 59,114,285 New Options will be issued to CPS under the first tranche and, subject to obtaining shareholder approval, 34,885,715 New Options will be issued to CPS under the second tranche.

The Placement will be conducted in two stages:

- Under Stage 1, the Company will issue 222,222,222 New Shares and 55,555,555 New Options without shareholder approval and under its existing placement capacity pursuant to ASX Listing Rule 7.1 and 7.1A.
- Under Stage 2, the remaining 111,111,111 New Shares and 27,777,778 New Options offered will be issued subject to shareholder approval at an extraordinary general meeting of the Company expected to be held in March 2021.

New Shares and shares issued upon exercise of New Options will rank pari passu with the Company's existing fully paid ordinary shares on issue.

The funds raised by the Company under the Placement will be used to undertake a depressive burden trial; undertake commercialisation activities for the Company's MEBsleep and ilumen products, progress further development of the Company's consumer application and for general working capital. The additional working capital will enable the continued growth of the Company's current products alongside its future products.

Share Purchase Plan

The Company will give eligible shareholders with a registered address in Australia or New Zealand (each an "**Eligible Shareholder**") an opportunity to subscribe for new fully paid ordinary shares (**SPP Shares**) in the Company by way of a share purchase plan (**SPP**). The SPP Shares will be offered at an issue price of \$0.009 per SPP Share (being the same issued price as the price under the Placement) and be offered with 1 free attaching New Option for every four (4) SPP Shares issued. The issue of SPP Shares and attaching

ASX Announcement



Medibio Limited – 10 February 2021

New Options under the SPP is subject to shareholder approval and is expected to be underwritten by CPS to the amount of \$500,000. The terms of the underwriting are yet to be finalised. Confirmation of the terms of any underwriting will be the subject of an update to the market to be lodged in due course.

Under the SPP, each Eligible Shareholder who held Shares in the Company at the record date of 7.00pm (Melbourne, Australia time) on 9 February 2021 will be entitled to acquire up to \$30,000 of SPP Shares without brokerage. The SPP is capped at \$500,000, and the Company reserves the right to either scale back applications or, at its discretion and in the event the Company receives applications which are in aggregate in excess of \$500,000, accept oversubscriptions.

The additional capital raised under the SPP will be used for the same purpose as funds raised under the Placement.

The offer of securities under the SPP will be made under a prospectus to be lodged with ASIC in accordance with the below timetable and sent to Eligible Shareholders shortly thereafter. Shareholders should consider the prospectus in deciding whether to acquire securities under the SPP, and will need to complete the application form that will accompany the prospectus.

The intended timetable for the Placement and SPP is as follows:

Record Date	7.00pm (Melbourne, Australia time) on 9 February 2021
Complete Stage 1 of Placement (including issue of New Options to Placement investors and first tranche of New Options to CPS)	15 February 2021
Dispatch of Notice of Meeting to Shareholders	24 February 2021
Lodge prospectus with ASIC and send to Eligible Shareholders, SPP offer and Cleansing offer opens	24 February 2021
Shareholder meeting to approve, amongst other items, Stage 2 of Placement, issue of SPP securities and New Options to CPS	24 March 2021
SPP offer closes	26 March 2021
Issue of New Shares and New Options under Stage 2 of Placement, SPP (including underwritten shortfall) securities and second tranche of New Options to CPS	8 April 2021
Cleansing offer closes	9 April 2021

The above timetable is indicative and subject to change, subject to the Listing Rules and Corporations Act.

– ENDS –

This announcement is authorised for release to the market by the Board of Directors of Medibio Limited.

ASX Announcement



Medibio Limited – 10 February 2021

About Medibio Limited

Medibio (ASX: MEB) (OTCPINK: MDBIF) is a health technology company pioneering the use of objective measures to aid in the early detection and screening of mental health conditions. Through their Corporate Health product, the Company offers mental well-being solutions for businesses and are also developing products to serve the healthcare provider market. The company was founded in Australia, with offices located in Melbourne (Vic) and U.S. offices in Minneapolis, MN. Medibio is listed on the Australian Securities Exchange Ltd and trades on the OTC Pink Open Market. Investors can find additional information on www.otcmarkets.com and www.asx.com.au.

Medibio Investor and Media Enquiries:

Arthur Chan

WE Communications

T: +61 (0) 404 369 388

WE-AUMedibio@we-worldwide.com