

ASX Announcement

Medibio Limited – 7 July 2021



NEWSLETTER TO SHAREHOLDERS

Melbourne, Australia and Minneapolis, MN – 7 July 2021: Medibio Limited (Medibio or the Company) (ASX: MEB) (OTCPINK: MDBIF), is pleased to share Company's first Newsletter to the shareholders of the Company.

Claude Solitario, Chief Executive Officer and Managing Director of Medibio has taken this opportunity to provide an update to the shareholders on the key challenges over the past year, current status and future plans on the Company's operations over regulated and non-regulated business units.

A copy of the Newsletter has been attached herewith and has also been dispatched to the shareholders on 7 July 2021.

– ENDS –

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

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:

Samantha Eng

WE Communications

+61 432 063 216

WE-AUMedibio@we-worldwide.com

Medibio Shareholder Newsletter

Perth, 7 July 2021

A letter from our CEO



Good morning,

Welcome to Medibio's first newsletter to shareholders. Firstly, I want to thank you for your interest in Medibio and for what we are achieving in the area of mental health.

The journey in finding biological markers to identify mental illness has been a long and difficult one but the benefits of success will be significant. Success will bring many advantages in the way we identify and treat mental health conditions, which will provide a positive and lasting impact on the people that suffer from mental illnesses, as well as their family and friends. The benefits will also extend to Australia's reputation as a leader in the field of mental health research. Last but not least, success will see a substantial increase in Medibio's shareholder value.

Despite the challenges that COVID has brought upon us, Medibio has made substantial progress over the last 12 months.

We move into the second half of 2021 with a great deal of confidence. Algorithm development for our depressive burden software, MEB-001 is progressing very well and in accordance with our expectations. We also await our meeting with the FDA in relation to MEBSleep which we expect will clear the path for a 60-70 patients, multi-centre pivotal validation trial. Our corporate mental wellness offering ilumen™ is now in the market and discussions with large organisations are progressing well. Our consumer app is in the final stages of development and on track for commercial launch in October 2021. Both ilumen™ and the consumer app represent early revenue opportunities for Medibio.

This progress during a most difficult time has been possible by seeking and engaging the best possible talent on a worldwide basis. Medibio's clinical team, which includes medical research, algorithm development, quality, and regulatory affairs, as well as finance and human resources operate out of Minneapolis, Minnesota, USA and Milan, Italy. Our software development expertise is based in the Ukraine; our consumer-facing creative design in Detroit, Michigan and our marketing, PR and promotions in Los Angeles, USA and Perth, Australia. Medibio is also well served from a corporate governance and financial perspective from our corporate offices in Perth and Melbourne, Australia.

I would like to take this opportunity to thank all of the very motivated and dedicated people for their work to date, the benefits of which will unfold in the coming weeks and months.

I look forward to sharing more news in the coming months; in the meantime, I hope you take a moment to read this update.

Claude Solitario
Managing Director

Clinical trial update

Depressive Burden (MEB-001)

The MEB-001 trials are progressing well and in accordance with expectations. The main findings of the algorithms for the screening of depressive burden are showing distinctive heart rate variability changes in certain sleep stages, characteristic of depression. Based on the analysis performed at the Department of Biological Sciences at Humanitas University in Milan, Italy, our algorithms are showing strong EEG and ECG patterns, indicative of depressive burden in patients suffering from sleep disturbances who are undergoing a sleep study in a sleep clinic. These findings were based on comparisons between patients assessed as having moderate to severe depressive symptoms according to BDI-II (used by mental health professionals in the general population) and PHQ-9 (used by mental health professionals, typically in a hospital environment), and those assessed by MEB-001. The benefits of identifying patients with moderate to severe depressive symptoms early is that they can be referred sooner to a mental health professional. Early referral is associated with better outcomes.

Should the data continue to show strong patterns, it will serve as the basis of our request to the FDA for a pre-submission meeting for a De Novo application. The purpose of such pre-submission meeting will be to agree on, amongst other things, the trial design, its objectives, and the size and diversification of the patient population. Medibio's agreement with MedBridge Healthcare, which operates 130 sleep clinics across the USA, will provide access to sleep clinics and greatly assist in completing the trial as quickly as possible.

Sleep Staging (MEBsleap)



The FDA has requested that the previously scheduled pre-submission meeting of the 1st July 2021, be postponed until the 15th July 2021. Our clinical team has agreed to this request. The purpose of the pre-submission meeting is similar to that of MEB-001. The decision to request the pre-submission meeting for MEBsleap came after the positive independent, in-depth review by the well-known and respected regulatory law firm, DuVal & Associates. Immediately following the pre-submission meeting for MEBsleap, we intend to undertake a proposed 60-patient trial to validate the technology and establish the basis for a renewed 510(k) application.

Intellectual Property

Two significant US patents that are at the core of our suit of intellectual property were granted earlier this year. The US patent entitled "*Method and System for Monitoring Stress Conditions*" covers the monitoring of stress conditions using heart rate collected from a wearable device and applying machine learning techniques. The US patent entitled "*Method and System for Assessing Mental State*" covers the method of diagnosing depression by analysing heartbeat records obtained during sleep. These patents reflect Medibio's expertise as the leading mental health biotechnology company.

In the past 12-18 months, Medibio has added a substantial body of work to its bank of intellectual property and know-how. This has necessitated the transfer of the management of our intellectual property portfolio



from Australia to the United States. To this end we are pleased to inform you of the appointment of Fish & Richardson, one of the top-ranked intellectual property and litigation firms in the US.

Founded in 1878, Fish & Richardson have represented some of the world's greatest innovators including Thomas Edison, Alexander Graham Bell and the Wright Brothers. With more than 400 attorneys, agents, and technology specialists on staff, Fish & Richardson has assembled a team with formidable industry experience. They have 13 offices in the US, Europe and China that average 5,500 US and 4,000 foreign patent applications each year. Medibio is very pleased to be working with Fish & Richardson, who are a powerhouse in intellectual property law. Their appointment underscores the importance of Medibio's intellectual property.

ilumen™ update

Compass Group

Medibio has started the rollout of ilumen™ through Compass Group after the signing of the Global Master License and Service Agreement (GMLSA). The GMLSA means that each Compass business unit can implement ilumen™ internally and/or externally to their respective clients.



The Compass business unit ESS UK was the first to come on board and their annual program commenced in May 2021 with excellent employee participation rates. Compass Australia's Remote and Offshore division has recently signed a Statement of Work, for 1,000 employees and their program is set to commence July 2021. We expect this momentum to continue, especially coming into Mental Health Month in October.

Stantec

Global engineering and design firm Stantec, which provides professional consulting services in planning, engineering, architecture, interior design, landscape architecture, surveying, environmental sciences, project management, and project economics for infrastructure and facilities projects, has committed to a second annual licence to offer ilumen™ to its staff. Our first contract with Stantec provided ilumen™ to their offices in Australia. Since the initial launch, in April 2020, Stantec's use of ilumen™ has been extended to its workforce in India, NZ and China.



A strong supporter of mental health in the workforce, Stantec is a great advocate of ilumen™. Kylie Ward, HR Director APAC, has recommended ilumen™ to her global colleagues and discussions have commenced with Stantec's North American counterparts.

Stantec's adoption and implementation of ilumen™ demonstrates how innovation can help elevate in priority the mental health of its employees.



PwC Australia

Our relationship with key client PwC, a strong advocate of ilumen™ and the data and insights it provides, continues. PwC found the psychological insights and recommendations Medibio presented earlier this year informative and helpful in the evaluation of its staff-focused programs and support.

Business development and product pipeline

Other Business Prospects

Our team continues to work on business development with large organisations, particularly in the insurance, resources and professional services sectors. The decision-making process with such organizations can be lengthy but we are engaged in meaningful high-level discussions with a number of potential partners. To support these efforts and to help raise awareness about Medibio's innovative solutions, we are in the final stages of the production of an ilumen™ 60 sec sales video which will also form be used to support a social media campaign.

Making way in Canberra

Medibio is also engaging with the Federal Government in relation to mental health funding initiatives. In May, Medibio advanced these discussions by meeting in Canberra with Senior Advisors from the offices of the Federal Minister for Finance and the Federal Treasurer. We are scheduled to return to Canberra in August to continue discussions with the relevant government departments regarding obtaining funding as part of the \$2.3B committed to mental health, for a project which will see ilumen™ rolled out to small to medium businesses, representing an under-served section of the Australian workforce that would otherwise not have access to ilumen™.

Expanding our business development capabilities

We have finalized Referral Agreements to engage three new business consultants with industry connections in finance, consulting, mining, retail, food & beverage, and sport, with a combined 35 years of sales and business development experience. These resources will provide Medibio with flexibility, national representation and agility to seek out potential clients for ilumen™. The Referral Agreements are structured to minimize overhead to Medibio whilst strengthening the ability of our team to generate leads.

Consumer App Development

The development of our consumer app continues in accordance with our development timeline and budget. The app will be launched in the US in October 2021 to coincide with World Mental Health Day.

Medibio's pioneering work in the use of biometric data to aid in the early detection and screening of mental health conditions, together with its patented method of assessing stress by monitoring overnight heart rate, underpins the functionality of the Consumer App and provides a significant point of differentiation in the marketplace.

Medibio's app and algorithms will identify how stress is affecting individuals and produce stress assessment data to inform behavioural exercises, educational tools, and goal-setting features to help users improve their mental health.



Medibio has appointed R&CPMK, a preeminent integrated marketing and communications agency in global entertainment, media, and technology, to drive brand development and strategic communications in the United States for the upcoming launch of our consumer mental health app. They have advised and created campaigns for companies such as; Mastercard, Hyundai, McDonalds, YouTube, Heineken, Northwell Health, Bumble, CISCO, and Warner Media, among others. Medibio's partnership with R&CPMK provides increased access to the world's leaders and the world's eyes.

Medibio at HR Leaders Forum



In May, 2021, SVP, Jennifer Solitario and Operations Manager, Renee Stanton-Horne, attended the HR Forum in Sydney, which provided exposure to many new network connections and valuable industry insights. Other attendees included Coles, NSW police, REA, and Medibank.

- ENDS -

If you would like to receive this and future shareholder newsletters, please send us an email at we-aumedibio@we-worldwide.com with your name, contact information and shareholder number and we will include you on the mailing list.