

Medibio Limited – 31 October 2022

September 2022 Quarterly Activities Report

Key highlights from the quarter:

- Dr. Thomas Young appointed as Medibio Limited's CEO
- Mr David Trimboli appointed as Non-Executive Chair
- Completion of Tranche 2 capital raising
- SAMDE Clinical trial expanded to include subjects undergoing full-night and split-night polysomnography studies currently across 12 sleep centres in the United States
- Medibio is continuing to develop STAGER's sensitivity, and specificity whilst exploring commercialization options within the sleep behavioural research and pharmaceutical environment

Melbourne, Australia, and Minneapolis, MN – 31 October 2022: Medibio Limited (MEB or the Company) (ASX: MEB) (OTCPINK: MDBIF) is pleased to announce its quarterly activity report for the three months ended September 2022:

Clinical Business Unit Update

Sleep Analysis of Major Depressive Episode (SAMDE) Study Update

The Sleep Analysis of Major Depressive Episode (SAMDE) is the Company's regulatory platform for the recognition of Major Depressive Episode Current. A unique revolutionary objective measure of a mental health disorder.

12 Active Study sites are currently open to recruitment, both for full night and split night studies, allowing for additional clinical data to be collected and processed.

- Minnesota (2)
- Ohio (3)
- North Carolina (4)
- South Carolina (1)
- Florida (2)

Sleep Analysis of Depressive Burden study (MEB-001)

The USA FDA has confirmed that the International Neuropsychiatric Interview (MINI) can be used as a diagnostic tool to support the trial clinician diagnosis. The MINI is a structured interview, which assesses the 17 most common disorders in mental health.

Because the MINI is a diagnostic tool, the FDA may consider the current Major Depressive Episode (cMDE) a diagnostic clinical claim. Following the last pre-submission meeting in April 2022, the FDA recommended moving forward with the De Novo. The FDA's recommendations included making the PHQ-9 a secondary endpoint and adding the MINI as the primary endpoint.

ASX Announcement



Non-Clinical Business Unit

The Luca Stress App is being assessed to be included with a behavioural health application to add Luca to the platform which will add additional users and open a new sales channel.

Corporate and Financial Update

During the quarter, the Company announced the appointment of Dr. Thomas R. Young as its Chief Executive Officer.

Dr. Young is a family physician with more than 40 years of medical experience. He is recognized as an innovator and thought leader in the fields of Consumer Directed Health Care and Behavioral Health. Dr. Young was the co-founder of Nview Behavioral Health and currently serves as the Chief medical Officer and board member. Nview is a leader in the provision of digital technology for the behavioural health space. Dr Young currently serves as the medical director for Port of Hope a non-profit substance use disorder clinic. Dr. Young served for six years as the Medical Director of Idaho Medicaid and Dr. Young was also Chief Clinical / Medical Officer of Idaho Medicare QIO Qualis Health for nine years.

Previously, Dr. Young served as Executive Vice President and Chief Medical Officer at Connexions Health, a Florida based healthcare technology company that was acquired by Optum Health, a division of United Health Group. Dr. Young also served as President of Behavioural Imaging Solutions, a technology firm recognized for its application of video imaging for the treatment of children with autism. The Company's Non-Executive Director Dr. Matt Mesnik, M.D. said "We are excited to have Dr. Young join Medibio as its CEO. Tom has a tremendous background in healthcare as a provider, administrator, innovator and leader.

During August Mr David Trimboli was appointed as Non-Executive Director of the Company and subsequent to the end of the quarter was appointed Chair of the Company.

David is an experienced global investor with experience in commodities financing and trading. He has undertaken investments activities and hold diverse interests in commodities, industrial minerals, real estate and technology and mental health in Australia and internationally.

Mr Trimboli is the founder of Seefeld Investments with offices in London, Zug and Perth. He has formerly a long serving senior coal trader at the world's largest commodities trading group, Glencore International AG and was a key member of the Glencore team when the group successfully completed its IPO in London and Hong Kong. He currently holds a Managing Director position in Seefeld Investments Pty Ltd, Non-Executive Chairman in Audeara Limited (ASX: AUA) and Non-Executive Director positions in the following Companies Quantum Graphite Limited (ASX: QGL), TradeMutt, Yumm Confectionary, The Reading Switch, Carecircle and Greater Outcomes, all being companies in revenue generating businesses with developed management teams and on pathways to profitability.

The Board is pleased with the appointments and both Tom and David and looks forward to the Company's progress for the benefit of all stakeholders under the leadership and guidance.

In the prior quarter, the Company received commitments to raise approx. \$1.4 million capital through the issue new fully paid ordinary shares in the Company (**New Shares**) to sophisticated and professional investors at an issue price of \$0.0015 (0.15 cents) per New Share, with the offer of one (1) free attaching option for every one (1) New Share issued (**New Options**). Each New Option will have an exercise price of \$0.004 (0.4

ASX Announcement



cents) 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 15 June 2027. The issue of New Options and tranche 2 of the placement was subject to shareholder approval.

On 25 August 2022, the Company completed the tranche 2 of the capital raising announced on 22 June 2022 following the receipt of shareholder approval at its EGM held on 15 August 2022. The Company issued 564,103,677 New Shares along with 923,603,671 New Options associated with tranche 1 and two of the placement raising \$846,115 before costs. In addition, the Company issued 27,708,110 New Options to CPS Capital Group Pty Limited as approved by shareholders at the EGM for services provided as part of the capital raising.

Cash on hand at the end of the September quarter was approximately \$759k. Total research and development and other intellectual property expenditure of \$0.51m was incurred during the September quarter relating primarily in respect of the ongoing implementation and support of the current sleep study announced to have commenced on 18 July 2022 supporting the further development of MEB-001. These expenditures include the costs associated with acquisition costs associated with sleep study participants, including investment in the infrastructure supporting the sleep centres in addition to the expansion of the sleep study and the collection and the interpretation of data received from the sleep centres to date and the ongoing assessment of the impact on the associated algorithms. Furthermore, costs have been incurred on the maintenance and development, marketing and promotion of the LUCA and ilumen applications and the assessment of their capabilities to fulfil the company's strategic objectives for these applications.

The Company continues to undertake cost optimisation strategies to manage its liquidity and future expected net cash outflows to streamline its outgoings and focus the available financial resources on the successful execution of the FDA validation process.

Payments to related parties and their associates during the quarter were approximately \$51k. These payments are related to Director fees and remuneration of their associates.

ENDS

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

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About Medibio Limited

Medibio (ASX: MEB) (OTCQB: MDBIF) is a mental 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 Minneapolis (MN). Medibio is listed on the Australian Securities Exchange Ltd and trades on the OTCQB Venture Market. Investors can find additional information on www.otcmarkets.com and www.asx.com.au.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

MEDIBIO LIMITED

ABN

58 008 130 336

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	24	24
1.2 Payments for		
(a) research and development	(25)	(25)
(b) product manufacturing and operating costs	(165)	(165)
(c) advertising and marketing	(8)	(8)
(d) leased assets	-	-
(e) staff costs	(119)	(119)
(f) administration and corporate costs	(256)	(256)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (IP expenditure)	-	-
1.9 Net cash from / (used in) operating activities	(550)	(550)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	(482)	(482)
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-

Quarterly cash flow report for entities subject to Listing Rule 4.7B

	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(482)	(482)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	846	846
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(70)	(70)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	776	776

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,033	1,033
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(550)	(550)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(482)	(482)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	776	776
4.5	Effect of movement in exchange rates on cash held	(18)	(18)
4.6	Cash and cash equivalents at end of period	759	759

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	759	1,033
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	759	1,033

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	51
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities <i>Note: the term 'facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(550)
8.2 Cash and cash equivalents at quarter end (item 4.6)	759
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	759
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.38
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
The entity has and continues to undertake cost optimisation strategies to manage its liquidity and future expected net cash outflows. The entity also anticipates the receipt, subject to approval, of government grants and tax incentives related to the entity's research and development activities.	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
The entity is planning on raising further cash to fund its operations, as and when necessary, through the issuance of securities in the Company, the capability of which is evidenced by previous securities issues.	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
The entity does expect to be able to continue its operations and to meet its business objectives on the basis of the factors presented in 8.6.1 and 8.6.2.	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2022

Authorised by: By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the

[*name of board committee – eg Audit and Risk Committee*]. If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.