

iBio, Inc.
Form DEF 14A
November 16, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No. __)

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

iBio, Inc.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if
Other
Than the
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November 16, 2012

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of iBio, Inc, a Delaware corporation (iBio or the Company). The meeting will be held on Tuesday, December 18, 2012, at 11:00 a.m. local time at the Company s headquarters, located at 9 Innovation Way, Suite 100, Newark, Delaware.

At the Annual Meeting, you will be asked to elect three Class I directors for a three year term and to ratify the appointment of independent auditors of the Company for the fiscal year ending June 30, 2013. These matters are described in detail in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement. A proxy is included along with the Proxy Statement. These materials are being sent to stockholders on or about November 16, 2012.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS:

THE NOTICE OF ANNUAL MEETING OF STOCKHOLDERS, THE PROXY STATEMENT AND THE COMPANY S ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED JUNE 30, 2012 ARE AVAILABLE ELECTRONICALLY TO THE COMPANY S STOCKHOLDERS OF RECORD AS OF THE CLOSE OF BUSINESS ON NOVEMBER 5, 2012 AT <http://www.cstproxy.com/ibioinc/2012>.

Along with the attached proxy statement, we are sending to you our Annual Report on Form 10-K for our fiscal year ended June 30, 2012. Such annual report, which includes our audited financial statements, is not to be regarded as proxy solicitation material.

Your vote is important. Whether or not you plan to attend the annual meeting, I urge you to take a moment to vote on the items in this year s proxy statement. Voting takes only a few minutes, and it will ensure that your shares are represented at the meeting.

Sincerely,

/s/ Robert B. Kay

Robert B. Kay

Executive Chairman and Chief Executive Officer

IBIO, INC.
9 Innovation Way, Suite 100
Newark, Delaware 19711

PROXY STATEMENT

FOR ANNUAL MEETING OF STOCKHOLDERS

QUESTIONS AND ANSWERS ABOUT THIS PROXY STATEMENT AND VOTING

Why am I receiving this proxy statement?

We have made this proxy statement available to you because the Board of Directors of iBio is soliciting your proxy to vote at the 2012 Annual Meeting of Stockholders. You are invited to attend the annual meeting to vote on the proposals described in this proxy statement. However, you do not need to attend the meeting to vote your shares. Instead, you may vote by proxy by completing and returning the enclosed proxy card. The proxy statement and our Annual Report on Form 10-K for the fiscal year ended June 30, 2012 are also available on the Internet at <http://www.cstproxy.com/ibioinc/2012>.

Who can vote at the annual meeting?

Only stockholders of record at the close of business on November 5, 2012, the record date for the annual meeting, will be entitled to vote at the annual meeting. On this record date, there were 47,767,095 shares of common stock, \$0.001 par value per share, outstanding and entitled to vote. The presence, in person or by proxy, of a majority of those shares will constitute a quorum at the meeting.

Stockholder of Record: Shares Registered in Your Name

If on November 5, 2012 your shares were registered directly in your name with our transfer agent, Continental Stock Transfer and Trust Company, then you are a stockholder of record. As a stockholder of record, you may vote in person at the meeting or vote by proxy. Whether or not you plan to attend the meeting, we urge you to vote by returning the enclosed proxy card to ensure your vote is counted.

Beneficial Owner: Shares Registered in the Name of a Broker or Bank

If on November 5, 2012 your shares were held in an account at a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in street name and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the annual meeting. As a beneficial owner, you have the right to direct your broker or other agent regarding how to vote the shares in your account. You are also invited to attend the annual meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the meeting unless you request and obtain a valid proxy from your broker or other agent.

What am I voting on?

There are two matters scheduled for a vote:

- (1) Election of three Class I directors; and

- (2) Ratification
of
CohnReznick
LLP
(formerly J.H.
Cohn LLP) as
our
independent
registered
public
accounting
firm for the
fiscal year
ending June
30, 2013.

How do I vote?

You may either vote FOR all the nominees for director or you may abstain from voting for any nominee you specify. For each of the other matters to be voted on, you may vote FOR or AGAINST or you may abstain from voting. The procedures for voting are fairly simple:

Stockholder of Record: Shares Registered in Your Name

If you are a stockholder of record, you may vote in person at the annual meeting or you can vote by returning the enclosed proxy card. Whether or not you plan to attend the meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the meeting and vote in person even if you have already voted by proxy.

Beneficial Owner: Shares Registered in the Name of a Broker or Bank

If you are a beneficial owner of shares registered in the name of your broker, bank, or other agent, you should have received this proxy statement from that organization rather than from iBio. Simply follow the voting instructions provided by that organization. To vote in person at the annual meeting, you must obtain a valid proxy from your broker, bank, or other agent. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a proxy form.

How many votes do I have?

On each matter to be voted upon, you have one vote for each share of common stock you own as of November 5, 2012.

What if I return a proxy card but do not make specific choices?

If you properly submit your proxy and do not revoke it, the proxy holders will vote your shares in accordance with your instructions. If your properly completed proxy gives no instructions, the proxy holders will vote your shares FOR the election of each of the three Class I directors, FOR the selection of CohnReznick LLP as our independent registered public accounting firm, and in their discretion on any other matters that properly come before the annual meeting.

If any other matter is properly presented at the meeting, your proxyholder (one of the individuals named on your proxy) will vote your shares using his or her best judgment.

Who is paying for this proxy solicitation?

The Company will bear the cost of soliciting proxies. Such cost will include charges by brokers and other custodians, nominees and fiduciaries for forwarding proxies and proxy materials to the beneficial owners of our common stock. Solicitation may also be made personally or by telephone by the Company's directors, officers and regular employees without additional compensation.

What does it mean if I receive more than one notice?

If you receive more than one notice, your shares are registered in more than one name or are registered in different accounts. You should submit a proxy for each one to ensure that all of your shares are voted.

Can I change my vote after submitting my proxy?

Yes. You can revoke your proxy at any time before the final vote at the annual meeting. You may revoke your proxy in any one of three ways:

You may submit another properly completed proxy with a later date.

You may send a timely written notice that you are revoking your proxy to our Secretary at 9 Innovation Way, Suite 100, Newark, Delaware, 19711.

You may attend the annual meeting and vote in person. Simply attending the meeting will not, by itself, revoke your proxy.

When are stockholder proposals due for next year's annual meeting?

Rules of the Securities and Exchange Commission require that we receive any proposal by our stockholders for inclusion in our proxy materials for the 2013 annual meeting of stockholders no later than by August 20, 2013. Proposals must be submitted in writing to our Secretary at 9 Innovation Way, Suite 100, Newark, Delaware, 19711, and you must comply with other requirements of Rule 14a-8 under the Securities and Exchange Act of 1934, as amended (the Exchange Act). However, if the 2013 annual meeting date changes by more than 30 days from the date of the 2012 annual meeting date, then the proposal must be submitted a reasonable time before we begin to print and send our proxy materials for the 2013 annual meeting.

In addition, our Amended and Restated Bylaws have an advance notice procedure for stockholders to bring business before an annual meeting of stockholders. The advance notice procedure requires that a stockholder interested in presenting a proposal for action at the 2013 annual meeting of stockholders must deliver a written notice of the proposal, together with specific information relating to such stockholder's proposal, nominee, stock ownership and identity, to our corporate secretary no later than the close of business on September 19, 2013 and no earlier than the close of business on August 20, 2013. You are advised to review our bylaws, which contain additional requirements about advance notice of stockholder proposals and director nominations. You must comply with these bylaws requirements in connection with a stockholder proposal or director nomination outside the Rule 14a-8 context.

How are votes counted?

Votes will be counted by the inspector of election appointed for the meeting, who will separately count FOR and (with respect to proposals other than the election of directors) Against votes, abstentions and broker non-votes. Abstentions and broker non-votes will not have an effect on the outcome of Proposal 1, but they will have the same effect as a vote Against Proposal 2. Abstentions and broker non-votes will be counted toward the quorum requirement.

If your shares are held by your broker as your nominee (that is, in street name), you will need to obtain a proxy form from the institution that holds your shares and follow the instructions included on that form regarding how to instruct your broker to vote your shares. If you do not give instructions to your broker, your broker can vote your shares with respect to discretionary items, but not with respect to non-discretionary items. On non-discretionary items for which you do not give your broker instructions, the shares will be treated as broker non-votes.

What are broker non-votes?

Broker non-votes occur when a beneficial owner of shares held in street name does not give instructions to the broker or nominee holding the shares as to how to vote. Generally, if shares are held in street name, the beneficial owner of the shares is entitled to give voting instructions to the broker or nominee holding the shares. If the beneficial owner does not provide voting instructions, the broker or nominee cannot vote the shares with respect to such matters because the nominee does not have discretionary voting power.

How many votes are needed to approve each proposal?

For the approval of Proposal 1 (the election of directors), the three nominees receiving the most FOR votes from the holders of shares present in person or represented by proxy and entitled to vote on the election of directors will be elected, regardless of whether that number represents a majority of the votes cast. Abstentions and broker non-votes will have no effect on the outcome of the election of directors.

To be approved, Proposal 2 (ratifying the selection of CohnReznick LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2013) must receive FOR votes from the holders of a majority of shares present at the annual meeting, either in person or by proxy. Abstentions and broker non-votes will have the same effect as a vote against the proposal, because passage of Proposal 2 requires the affirmative vote of a majority of the votes present at the meeting.

What is the quorum requirement?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if stockholders holding a majority of the outstanding shares on the record date are present at the meeting in person or represented by proxy. On the record date, there were 47,767,095 shares of common stock outstanding and entitled to vote.

Your shares will be counted towards the quorum only if you submit a valid proxy vote or vote at the meeting. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, the holders of a majority of the shares present in person or represented by proxy at the meeting may adjourn the meeting to another date.

How can I find out the results of the voting at the annual meeting?

Preliminary voting results will be announced at the annual meeting. Final voting results will be published in a current report on Form 8-K within four business days of the annual meeting.

PROPOSAL 1

ELECTION OF DIRECTORS

The Company's Board of Directors is currently composed of seven (7) directors divided into three classes of directors serving staggered 3-year terms.

The members of Class I, whose terms of office expire in 2012, are Mr. Robert B. Kay, General James T. Hill and Arthur Y. Elliott, Ph.D.

The members of Class II, whose term of office expires in 2013, are Mr. Glenn Chang and Philip K. Russell, M.D.

The members of Class III, whose term of office expires in 2014, are Mr. John D. McKey, Jr. and Mr. Jules A. Müsing.

The stockholders will consider and vote upon the election of Mr. Robert B. Kay, General James T. Hill and Arthur Y. Elliott, Ph.D. to serve their respective terms.

The three candidates receiving the highest number of affirmative votes by the holders of shares entitled to be voted will be elected. Shares represented by executed proxies will be voted, if authority to do so is not withheld, for the election of the two nominees. If any nominee becomes unavailable for election as a result of an unexpected occurrence, your shares will be voted for the election of a substitute nominee proposed by us. Each person nominated for election has agreed to serve if elected. Our management has no reason to believe that any nominee will be unable to serve.

NOMINEES AND CONTINUING DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth the names and ages (as of September 15, 2012) of our nominees for director and continuing directors and our executive officers:

Name	Age	Position Held With Us
Robert B. Kay	72	Executive Chairman and Chief Executive Officer
Robert L. Erwin	58	President
Douglas Beck, CPA	51	Chief Financial Officer
Terence Ryan, Ph.D.	57	Chief Scientific Officer
General James T. Hill (ret.)	66	Director
Glenn Chang	64	Director
John D. McKey, Jr.	69	Director
Philip K. Russell, M.D.	80	Director
Arthur Y. Elliott, Ph.D.	76	Director
Jules A. Müsing	65	Director

The following are brief biographies of each nominee for Director:

Robert B. Kay has been a director since we became a publicly traded company in August 2008. Mr. Kay was a founder and senior partner of the New York law firm of Kay Collyer & Boose LLP, with a particular focus on mergers and acquisitions and joint ventures. Mr. Kay received his B.A. from Cornell University's College of Arts & Sciences and his J.D. from New York University Law School.

General James T. Hill has been a director since we became a publicly traded company in August 2008. At the time of his retirement from active duty, General Hill was the Commander of the 4-Star United States Southern Command, reporting directly to the President and Secretary of Defense. As such he led all U.S. military forces and operations in Central America, South America and the Caribbean, worked directly with U.S. Ambassadors, foreign heads of state, key Washington decision-makers, foreign senior military and civilian leaders, developing and executing United States policy. His responsibilities included management, development and execution of plans and policy within the organization including programming, communications, manpower, operations, logistics and intelligence.

Arthur Y. Elliott, Ph.D. has been a director since October 2010. Dr. Elliott spent 16 years with Merck & Co., serving ultimately as Executive Director of Biological Operations, Merck Manufacturing Division, responsible for the bulk manufacture, testing, release and registration of all biological products sold. Dr. Elliott also directed the manufacturing, process development, and other operations of North American Vaccine for six years, and most recently served as consultant to Aventis (Sanofi Pasteur) Pharmaceutical Corporation in its design and implementation of new, highly automated manufacturing facilities for influenza vaccines. Dr. Elliott has served with the United States Department of Health and Human Services in the Avian Influenza Pandemic Preparedness Program in Washington, D.C. as Senior Program Manager for the Antigen Sparing Project since 2006. The program involves the cooperation of three pharmaceutical companies and four government groups (NIH, CDC, FDA, and HHS). While at Merck, he worked closely with both Merck Research Laboratories and the Merck Vaccine Division to forecast the timely transfer of technology for new and improved products from the research laboratories through the manufacturing area and into the marketing division for sales introductions. He has served as a biological consultant to the World Health Organization, National Institutes of Health, and The Bill & Melinda Gates Foundation. Dr. Elliott holds a Ph.D. in Virology from Purdue University, and an M.S. in Microbiology and a B.A. in Biology from North Texas State University. He serves as a member of the American Association for Advancement of Science, American Society for Microbiology, and American Tissue Culture Association.

**THE BOARD OF DIRECTORS RECOMMENDS
A VOTE IN FAVOR OF EACH NAMED NOMINEE.**

The following are brief biographies of each other continuing Director and Executive Officer:

Robert L. Erwin has been our President since we became a publicly traded company in August 2008. Mr. Erwin led Large Scale Biology Corporation from its founding in 1988 through 2003, including a successful initial public offering in 2000, and continued as non-executive Chairman until 2006. He served as Chairman of Icon Genetics AG from 1999 until its acquisition by a subsidiary of Bayer AG in 2006. From 2004 through 2007 Mr. Erwin served as Managing Director of Bio-Strategic Directors LLC, providing consulting services to the life sciences industry. He is currently Chairman of Novici Biotech, a private biotechnology company and a Director of Resolve Therapeutics. Mr. Erwin's non-profit work focuses on applying scientific advances to clinical medicine, especially in the field of oncology. He is co-founder, President and Director of the Marti Nelson Cancer Foundation, Oncology. Mr. Erwin received his BS degree with Honors in Zoology and an MS degree in Genetics from Louisiana State University.

Douglas J. Beck is a CPA has been Chief Financial Officer since May 2011. Mr. Beck was the Chief Financial Officer of publicly traded Lev Pharmaceuticals, Inc. He was employed from February 2005 until February 2009 (the company was acquired by ViroPharma, Incorporated in October 2008.) He had been an independent consultant from February 2009 until April 2011. Mr. Beck serves on the SEC Practice Committee and the Chief Financial Officers Committee for the New York State Society of CPAs. Mr. Beck holds a B.S. from the Fairleigh Dickinson University.

Terence E. Ryan, Ph.D. has been Chief Scientific Officer of iBio, Inc. since March 2012, and Senior Vice President since July 2010. He previously served as Assistant Vice President, Systems Biology at Wyeth Pharmaceuticals (later Pfizer, Inc.) from 2007-2010, and Director of Integrative Biology at GlaxoSmithKline from 2003-2007. He has also been Director, Cell Biology at Celera Genomics (2000-2003), and Associate Director of Cell Technologies and Protein Sciences at Regeneron Pharmaceuticals. He received his A.B. In Biology from Princeton University, and his M.S. and Ph.D. in Microbiology from Rutgers University. He also was a post-doctoral fellow in Molecular Virology at the University of Wisconsin.

Glenn Chang has been a director since we became a publicly traded company in August 2008. From 1999 through 2010, Mr. Chang was Director, Executive Vice President and Chief Financial Officer of the First American International Bank, Brooklyn, N.Y. He now is a consultant to the bank without any official titles. Prior to the founding of the Bank he spent almost 20 years at Citibank as Vice President. Mr. Chang is a Certified Public Accountant.

John D. McKey, Jr. has been a director since we became a publicly traded company in August 2008. Since 2003, Mr. McKey has served as of counsel at McCarthy, Summers, Bobko, Wood, Sawyer & Perry, P.A. in Stuart, Florida, and previously was a partner from 1987 through 2003. From 1977 to 1987 Mr. McKey was a partner at Gunster Yoakley in Palm Beach, Florida. Mr. McKey received his B.B.A at the University of Georgia and his J.D. from the University Of Florida College Of Law.

Philip K. Russell, M.D. has been a director since March 2010. Major General (retired.) Russell served in the U.S. Army Medical Corps from 1959 to 1990, pursuing a career in infectious disease and tropical medicine research. Following his military service, Dr. Russell joined the faculty of Johns Hopkins University's School of Hygiene and Public Health and worked closely with the World Health Organization as special advisor to the Children's Vaccine Initiative. He was founding board member of the International AIDS Vaccine Initiative, and is an advisor to the Bill & Melinda Gates Foundation. He has served on numerous advisory boards of national and international agencies, including the Centers for Disease Control, National Institutes of Health, and the Institute of Medicine. He is the past Chairman of the Albert B. Sabin Vaccine Institute.

Jules A. Müsing has been a director since June 2011. In the course of his career at Johnson & Johnson, Mr. Müsing was responsible for worldwide licensing and acquisition of pharmaceutical and biotechnology products and technologies and the establishment of strategic alliances. This included the establishment of new scientific and product collaborations in various therapeutic areas, the negotiation of licensing and alliance agreements with biotechnology and pharmaceutical companies worldwide, and the partnering, spin-out and out-licensing of company pharmaceutical and biotechnology assets. Prior to moving into that role, Mr. Müsing was Vice President Marketing International for the Janssen Pharmaceutical Group of Companies Worldwide; President of Pitman-Moore, Inc., a U.S.-based Johnson & Johnson company; Managing Director of Janssen Pharmaceutical in Portugal; President of Serono, Inc. in the U.S. and Executive Vice President with responsibilities for North and South America; Member of the Board of Ortho Biotech, Inc.; and Managing Director of Ortho Biotech in France (a Johnson & Johnson affiliate). He is a Board Member of Delphi Digital, Inc. and Chairman of the Scientific Board of Advisors for Noble Capital Financial Markets.

INFORMATION REGARDING THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Board Committees and Independence

Our Board of Directors has the authority to appoint committees to perform certain management and administrative functions. Our Board has constituted audit, compensation and nominating committees.

Our Board of Directors has determined that John D. McKey, Jr., Jules A. Müsing, General James T. Hill, Arthur Y. Elliott, Ph.D., Glenn Chang and Philip K. Russell, M.D. are independent directors as such term is defined in Section 803(A)(2) of the NYSE MKT LLC Company Guide.

Nominating Committee and Nomination Process

The Nominating Committee was formed to address general governance and policy oversight; succession planning; to identify qualified individuals to become prospective Board members and make recommendations regarding nominations for the Board of Directors; to advise the Board with respect to appropriate composition of Board committees; to advise the Board about and develop and recommend to the Board appropriate corporate governance documents and assist the Board in implementing guidelines; to oversee the annual evaluation of the Board and our Chief Executive Officer, and to perform such other functions as the Board may assign to the committee from time to time. The Nominating Committee has a Charter which is available on our website at www.ibioinc.com. The Nominating Committee consists of three independent directors: Arthur Y. Elliott, Ph.D., (Nominating Committee Chairman), Glenn Chang and General James T. Hill.

Our directors take a critical role in guiding our strategic direction and oversee the management of our company. Board candidates are considered based upon various criteria, such as their broad-based business and professional skills and experiences, a global business and social perspective, concern for the long-term interests of the stockholders and personal integrity and judgment. In addition, directors must have time available to devote to Board activities and to enhance their knowledge of the life sciences industry. Accordingly, we seek to attract and retain highly qualified directors who have sufficient time to attend to their substantial duties and responsibilities.

The Board believes given the diverse skills and experience required to grow our company that the input of all members of the Nominating Committee is important for considering the qualifications of individuals to serve as directors but does not have a diversity policy. Further, the Nominating Committee believes that the minimum qualifications for serving as our director are that a nominee demonstrate, by significant accomplishment in his or her field, an ability to make a meaningful contribution to the Board's oversight of our business and affairs of and have an impeccable record and reputation for honest and ethical conduct in both his or her professional and personal activities. Whenever a new seat or a vacated seat on the Board is being filled, candidates that appear to best fit the needs of the Board and our company are identified and unless such individuals are well known to the Board, they are interviewed and further evaluated by the Nominating Committee. Candidates selected by the Nominating Committee are then recommended to the full Board for their nomination to stockholders. The Nominating Committee recommends a slate of directors for election at the annual meeting. In accordance with NYSE MKT LLC rules, the slate of nominees is approved by a majority of the independent directors.

In carrying out its responsibilities, the Board will consider candidates suggested by stockholders. If a stockholder wishes to formally place a candidate's name in nomination, however, he or she must do so in accordance with the provisions of our Bylaws. Suggestions for candidates to be evaluated by the Nominating Committee must be sent to Secretary, iBio, Inc. 9 Innovation Way, Suite 100, Newark, DE 19711.

Audit Committee

The Audit Committee of the Board of Directors makes recommendations regarding the retention of the independent registered public accounting firm, reviews the scope of the annual audit undertaken by our independent registered public accounting firm and the progress and results of their work, reviews our financial statements, and oversees the internal controls over financial reporting and corporate programs to ensure compliance with applicable laws. The Audit Committee reviews the services performed by the independent registered public accounting firm and determines whether they are compatible with maintaining the registered public accounting firm's independence. The Audit Committee has a Charter, which is reviewed annually and as may be required due to changes in industry accounting practices or the promulgation of new rules or guidance documents. The Audit Committee Charter is available on our website at www.ibioinc.com. The Audit Committee consists of two independent directors as determined by NYSE MKT LLC listing standards: Glenn Chang (Audit Committee Chairman) and John D. McKey, Jr. Mr. Chang is qualified as an Audit Committee Financial Expert as defined in Regulation S-K Item 407(d)(5)(ii).

Compensation Committee

The Compensation Committee of the Board of Directors reviews and approves executive compensation policies and practices, reviews salaries and bonuses for our senior executive officers, administers our stock option plan and other benefit plans, and considers other matters as may, from time to time, be referred to them by the Board of Directors. The Compensation Committee has a charter which is available on our website at www.ibioinc.com. The members of the Compensation Committee are General James T. Hill (Compensation Committee Chairman), Arthur Y. Elliott, Ph.D. and Philip K. Russell, M.D.

Board Leadership Structure and Role in Risk Oversight

Our Chief Executive Officer also serves as Executive Chairman on our Board. We do not have a lead independent director. Our Executive Chairman, when present, presides over all meetings of our Board. We believe this leadership structure is appropriate for our Company at this time because (1) of our size, (2) of the size of our Board, (3) our Chief Executive Officer is responsible for our day-to-day operation and implementing our strategy, and (4) discussion of developments in our business and financial condition and results of operations are important parts of the discussion at Board meetings and it makes sense for our Chief Executive Officer to chair those discussions.

Our Board oversees our risk management. This oversight is administered primarily through the following:

The Board's review and approval of our business plans (prepared and presented to the Board by the Chief Executive Officer and other management), including the projected opportunities and challenges facing our business;

At least quarterly review of our business developments, business plan implementation and financial results;

Our Audit Committee's oversight of our internal controls over financial reporting and its discussions with management and the independent accountants regarding the quality and adequacy of our internal controls

and financial reporting; and

Our Board's review and recommendations regarding our executive officer compensation and its relationship to our business plans.

Meetings of the Board of Directors and Committees

During the fiscal year ended June 30, 2012, the Board held six meetings in person or by telephone and acted by unanimous written consent on five occasions; the Audit Committee held four meetings in person or by telephone; and the Nominating and Compensation Committees each held no meetings, as matters typically addressed by such Committees were considered and approved by the full Board. Between meetings, members of the Board are provided with information regarding our operations and are consulted on an informal basis with respect to pending business. Each director attended at least 75% of the aggregate of the total number of meetings of the Board and the total number of meetings of the committees on which such director serves.

Although we do not have a policy with regard to Board members' attendance at our Annual Meetings of Stockholders, all of the directors are encouraged to attend such meetings.

Stockholder Communications with the Board of Directors

Interested parties may communicate with the Board or specific members of the Board, including the independent directors and the members of the audit committee, by submitting a letter addressed to the Board of Directors of iBio, Inc. c/o any specified individual director or directors at the address listed herein. Any such letters are then forwarded to the indicated directors.

Code of Ethics

We have adopted a written code of ethics within the meaning of Item 406 of SEC Regulation S-K, which applies to our principal executive officer and senior financial officers, a copy of which can be found on our website at www.ibioinc.com. If we make substantive amendments to the Code of Ethics that are applicable to our principal executive or financial officers, we will disclose the nature of such amendment or waiver in a report on Form 8-K in a timely manner.

Available information about iBio

Previously filed SEC current reports, quarterly reports, annual reports, and reports under Section 16(a) of the Securities Exchange Act of 1934 are available on our website at www.ibioinc.com and in print for any stockholder upon written request to our Secretary.

EXECUTIVE COMPENSATION

Summary Compensation Table

The table below summarizes the total compensation paid or earned by Chief Executive Officer and our two other most highly compensated executive officers who were serving as executive officers at the end of the last completed fiscal year.

Name and Principal Position	Fiscal Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)(1)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
Robert B. Kay, Executive Chairman and CEO	2012	\$ 300,000	\$-0-	\$ -0-	\$ 508,888	\$ -0-	\$ -0-	\$ 817,896
	2011	250,935	-0-	-0-	1,886,007	-0-	-0-	2,137,942
Robert Erwin, President	2012	237,500	-0-	-0-	508,888	-0-	-0-	746,388
	2011	207,695	-0-	-0-	193,340	-0-	-0-	401,035
Douglas J. Beck, CPA Chief Financial Officer (2)	2012	165,000	-0-	-0-	-0-	-0-	-0-	165,000
	2011	28,769	-0-	-0-	80,447	-0-	-0-	109,216
Frederick Larcombe, Chief Financial Officer (3)	2012	-0-	-0-	-0-	-0-	-0-	-0-	-0-
	2011	91,360	-0-	-0-	-0-	-0-	-0-	91,360

(1) This column shows the grant date fair value of awards computed in accordance with stock-based compensation accounting rules (FASB

ASC Topic 718). A discussion of assumptions used in calculating award values may be found in Note G for the years ended June 30, 2012 and 2011 to our audited financial statements in Form 10-K.

- (2) Commenced April 29, 2011.
- (3) Mr. Larcombe was an independent contractor whose services were provided through a professional services firm. This amount represents the total amount billed by that firm to the Company for Mr. Larcombe's services. Services rendered through May 15, 2011.

Outstanding Equity Awards at Fiscal Year-End

OUTSTANDING EQUITY AWARDS AT JUNE 30, 2012

Option Awards

Name	Number of Securities Underlying Unexercised Options (#)	Exercise Price (\$)	Expiration Date	Market Value (\$)(1)
Robert B. Kay (2)	250,000	0.20	2/13/19	\$ 140,000
Robert B. Kay (2)	250,000	0.66	8/10/19	\$ 25,000
Robert B. Kay (2)	300,000	1.73	8/16/20	\$ N/A
Robert B. Kay (3)	500,000	3.07	12/30/20	\$ N/A
Robert B. Kay (4)	500,000	3.07	12/30/20	\$ N/A
Robert B. Kay (2)	300,000	1.96	10/21/21	\$ N/A
Robert L. Erwin (2)	250,000	0.20	2/13/19	\$ 140,000
Robert L. Erwin (2)	250,000	0.66	8/10/19	\$ 25,000
Robert L. Erwin (2)	300,000	1.73	8/16/20	\$ N/A
Robert L. Erwin (2)	300,000	1.96	10/21/21	\$ N/A
Douglas J. Beck, CPA (5)	100,000	2.69	5/3/21	\$ N/A

- (1) The market value for the option at June 30, 2012 was based upon the closing stock price at such date, which was \$0.76 per share, less the exercise price.
- (2) Shares vest in five equal annual installments.
- (3) Shares vested on July 1, 2011.
- (4) Shares vest on July 1,

2012.

- (5) Shares vest
in three
equal annual
installments.

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Employment Agreements

As of June 30, 2012, we did not have any employment contracts or other similar agreements or arrangements with any of our named executive officers.

Incentive Compensation Plan

We have established an incentive compensation plan and have reserved 10,000,000 shares of common stock to be issued to employees under this plan. As of June 30, 2012, we granted stock options with an aggregate of 5,510,000 underlying shares of common stock and there are 4,490,000 reserved for future issuances.

DIRECTOR COMPENSATION

Compensation for our non-employee directors has historically consisted of a grant of stock options vesting over a three-year period and additional cash compensation. We do not have a fixed policy with respect to this compensation, but the compensation is generally equal for each non-employee director except in cases where a director assumes additional responsibilities above and beyond standard board service. Directors who are also our employees will receive no additional compensation for their services as directors.

Director Compensation Table

The following table sets forth summary information concerning the total compensation paid to our non-employee directors in the fiscal year ended June 30, 2012 for services to us:

Name	Fees Earned or Paid in Cash (\$)	Option Awards \$(1)(4)	Total (\$)
General James T. Hill	\$ 25,000	\$ 101,178	\$ 126,178
Glenn Chang	10,000	101,178	111,178
John D. McKey	10,000	101,178	111,178
Philip K. Russell, M.D.	10,000	101,178	111,178
Pamela Bassett, D.M.D (2).	5,000		5,000
Arthur Elliot	10,000	101,178	111,178
Jules Müsing (3)			