COMPANY UPDATE

Immuron continues to pursue and increase inherent value through its focus on global commercialisation of Travelan, clinical development of IMM-124E for NASH and development towards clinical stage of IMM-529 for C.difficile infection. We are encouraged by the interest that these opportunities are attracting.

Travelan continues to provide us with the opportunity to substantially increase the company's short term revenues, whilst both IMM-124E and IMM-529 provide us with the prospect of longer term, and substantially higher rewards.

Immuron has also made some changes to its pre-clinical programs. For lack of compelling evidence of efficacy, Immuron has decided to end its program for the development of IMM-255.

Travelan – Global Commercialisation

During the last 12 months, commercialisation of our flagship product Travelan includes 4 licensing & distribution agreements for a number of territories. This now means that that 79% of tourists visiting Asia Pacific will soon be travelling to countries where Travelan will be available at their point of destination. Pending marketing approval for the licensed territories, launches in these countries are anticipated this calendar year.

- **Paladin Labs** (Canada, Latin America & Sub-Saharan Africa)
  Currently awaiting marketing authorisation from the regulatory authority in Canada which experienced internal delays unrelated to Travelan. Approval is expected imminently.

- **Takeda/Nycomed** (Australia and New Zealand)
  Australia continues to be the showcase for the potential for Travelan.

- **IntegraMed Asia** (Thailand, Hong Kong, Cambodia, Vietnam and Laos)
  The final components for the regulatory documentation are being prepared for submission. Product samples have been distributed in advance of launch.

- **Ziwell Medical** (Singapore, Malaysia and Brunei)
  H.S.A. (the regulatory authority in Singapore) is currently reviewing the proposed carton and leaflet.

- **Harvest & Health** (China and Taiwan)
  The final components for the regulatory documentation are being prepared for submission.

- **The United States**
  Our relationship with MEDA, Immuron's former US licensee, has formally ended following MEDA's and Immuron's joint agreement that Travelan did not fit the MEDA portfolio. MEDA and Immuron are parting on good terms, with the realisation that for Immuron to be able to do full justice to the commercialisation of Travelan in the United States, there needs to be a consumer group focus. Armed with encouraging results of a consumer marketing survey in the US, Immuron is pursuing more suitable licensing opportunities and is at various stages of progress with a number of parties.

Immuron continues to engage in discussions with a number of Travelan prospective licensees in additional territories.

Product Pipeline

Immuron R&D strategy streamlined
The recent changes in directors and management reflect Immuron's commitment to ensure world class expertise across the company, in both biotechnology and global commercialisation.

We are fortunate to have a broadly applicable technology platform, and this requires the judicious use of resources. With this in mind, the company has determined that it will be able to deliver the greatest value for our shareholders by focusing R&D efforts on IMM-124E for NASH (currently in Phase II) and IMM-529 for C.difficile infection (currently in pre-clinical studies).

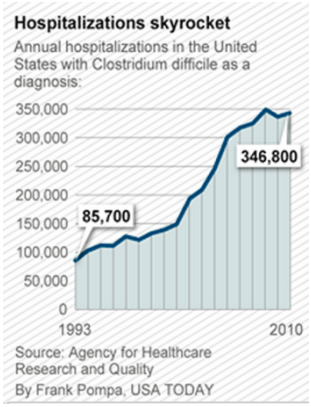
IMM-255 for Influenza:
To date, IMM-255 for Influenza has undergone a number of pre-clinical trials in mice and ferrets. The most recent data suggests that oral and nasal treatment of ferrets with IMM-255 did not provide statistically significant protection against infection and also did not significantly reduce the level of infection in recipient ferrets. Based on these results, there is insufficient justification to continue to further develop IMM-255 and the company has decided to end this project.

IMM-124E for NASH:
We are very encouraged by the commercial and scientific interest generated in the non-alcoholic steatohepatitis (NASH) product program. Publications from eminent scientists support the proposition that endotoxins (toxins released by certain types of bacteria) play a key role in the development of NASH by activation of inflammatory pathways. This is known as "bacterial translocation" or "leaky gut". Based on our data generated to date, the polyclonal antibodies contained in Immuron's IMM-124E, agglutinate or stick to, the endotoxins associated with NASH, thereby preventing bacterial translocation and development of NASH.

Progress has been made in developing IMM-124E, including the related ASH clinical trial scheduled to start in 2013. This program is expected to generate data to also support the NASH indication. Following lengthy discussions with our clinical advisors and potential licensees, the design and optimisation of the NASH Phase 2 trials has been agreed. We continue to explore the options for funding, including from public, private and/or government sources of these. In addition, we are engaging in licensing discussions with interested parties.

IMM-529 for Clostridium difficile infection:
Clostridium difficile (C.difficile) is a bacteria normally found in people's intestines. Under certain circumstances C.difficile can multiply and cause diarrhoea as well as potentially life threatening intestinal conditions including colonic perforation and toxic megacolon. Deaths related to *C.difficile* increased 400% between 2000 and 2007, due in part to a stronger bacterial strains and antibiotic resistance. Most *C.difficile* infections are connected with receiving medical care in hospitals and nursing homes, and account for:

- considerable increases in the duration of hospital stays; and
- more than US$3.2 billion in health care costs each year in the United States alone.



IMM 529 is being designed to both prevent and treat *C.difficile* infections. Since June 2012, when Immuron announced the first results of our *C.difficile* program conducted in collaboration with Monash University, we have continued to see very encouraging data, demonstrating its potential to be a preventative and a treatment. These results have formed the basis of patent applications.

Additional pre-clinical trials are being designed to support a human trial, anticipated to commence later this calendar year or early 2014.

Corporate Update

In March, Mr Amos Meltzer was appointed as the Interim CEO. Amos has played an integral role in the successful commercial expansion of a number of biotechnology companies, and brings with him a wealth of pharmaceutical partnering and licensing experience required to meet our business objectives. Our management teams have been reorganised to align with the functional elements of the business and deliver on the key priorities. Commercialisation and intellectual property is led by experienced pharmaceutical executive Dr Nina Webster, production and product management led by skilled project manager Dr Gerhard Rank, and clinical research programs are led by accomplished clinical expert Mr Mark Sullivan.

We welcome all our new shareholders, and also express our thanks to those who participated in the latest capital raising. The ability to execute business strategy with the backing of adequate funds and a stable shareholder basis is important for Immuron. We are genuinely encouraged by the company's current and future prospects, and look forward to delivering on these in the short and medium term. We welcome your questions and suggestions: info@immuron.com.