Thursday 23 January 2014

LETTER TO IMMURON OPTIONHOLDERS – RIGHTS ISSUE

The below letter will be distributed to all Immuron Unlisted Optionholders today.

Please note that letters will not be sent to holders of the Immuron Listed Options (IMCOA) as the Listed Options have an exercise price of $0.040 and as the current Immuron share price is $0.005, it has been determined that the listed options are substantially "out of the money" and on this basis the ASX has granted Immuron a waiver from the requirement to provide such letters to the holders of listed options.

Not having to send out letter to listed option holders will also allow Immuron to reduce the printing and mailing costs pursuant to this Rights Issue capital raising to ensure funds raised can be more effectively used to benefit the Company moving forward.

The ASX waiver does not apply to the holders of unlisted options.

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Dear Optionholder,

2014 Renounceable Rights Issue Offer and Shortfall Offer

Immuron Limited (the **Company**) is undertaking an underwritten renounceable pro-rata rights offer to the Company's shareholders (the **Offer**). The Offer is open to all eligible shareholders of the Company who are on the share register as at 5.00pm AWST on 3 February 2014 (the **Record Date**) and who have a registered address in Australia or New Zealand.

Under the terms of the Offer, each eligible shareholder will have the right to subscribe for New Shares in the Company on the basis of a non-renounceable Rights Issue of eleven (11) new shares for each six (6) shares held as at the Record Date at a price of $0.005 per new share (**Rights Issue Offer**).

In addition to the rights issue, eligible shareholders will have the opportunity to also participate in a Shortfall Offer if there is a shortfall in the Rights Issue Offer.

You are the holder of unlisted options to purchase shares in the Company. The Rights Issue Offer is only available to holders of shares in the Company, and not with respect to shares that underlyany options that have not been exercised. The purpose of this letter is to advise you that you are not entitled to participate in the Rights Issue (with respect to any shares that underly your options) without first exercising some or all of your options. The exercise of your options needs to be completed before the Record Date.

If you decide to exercise some or all of your options before the Record Date, the shares that issue upon that exercise of those options will be included in your shareholding as at the Record Date. Your aggregate holding of shares at the Record Date determinesthe extent of your entitlement to participate in the Rights Issue Offer.

The anticipated timetable for the Offer is as follows:

Event	Date
Announcement of Rights Issue, Offer Document, Appendix 3B and cleansing notice lodged with ASX	22 January 2014
Offer Document lodged with ASX	23 January 2014
Notice to Shareholders containing information required by Appendix 3B	24 January 2014
Ex-date – the date on which Shares commence trading without the entitlement to participate in the Rights Issue	28 January 2014
Record Date – the date for determining entitlements of Shareholders to participate in the Rights Issue	3 February 2014

Event	Date
Dispatch of Offer Document and Entitlement and Acceptance Form	7 February 2014
Rights Issue opens for acceptances	7 February 2014
Rights trading ends	14 February 2014
Commencement of deferred trading	17 February 2014
Closing Date	21 February 2014
Notification to ASX of under subscriptions	26 February 2014
Allotment of New Shares	3 March 2014
Commencement of normal trading	4 March 2014

The above timetable is indicative only and subject to change. Subject to the Corporations Act 2001 and the ASX Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date. The Directors also reserve the right not to proceed with the Offer (or any part of it) at any time prior to allotment. In that event, any application money received will be returned without interest.

Full details of the Offer are contained in the Offer Document, lodged with ASX on 23 January 2013. The Offer Document is available on the ASX website (www.asx.com.au). The Offer Document and the Entitlement and Acceptance Form will be sent to all Eligible Shareholders on 7 February 2013.

Please ensure you read the Offer Document in its entirety and refer to the Company's ASX announcements before considering whether to participate in the Offer. If in any doubt you should consult your professional advisor.

For further information on your Entitlement please contact the Company's share registry, Security Transfer Registrars, on +61 (0)8 9315 2333.

Yours faithfully;

Roger Aston
Non-Executive Chairman
Immuron Limited