1 March 2018

Dear Shareholder,

**BIO-GENE TECHNOLOGY LIMITED – LOYALTY OPTION ISSUE**

On 20 February 2018, Bio-Gene Technology Limited (ASX:BGT) (**Bio-Gene** or the **Company**) announced that it is proposing to conduct a pro rata bonus issue of Loyalty Options (**Loyalty Options**). The bonus issue of Loyalty Options was foreshadowed in the Company's IPO Prospectus. Each Loyalty Option will have an exercise price of $0.20 (20 cents) and expire on 4 December 2018, and be issued on the basis of one Loyalty Option for every five ordinary BGT shares held at 7 March 2018 (**Record Date**). The Company has today lodged a Prospectus for the issue of the Loyalty Options.

In accordance with ASX Listing Rule 7.7.1(b), Bio-Gene herby advises that it will not be offering Loyalty Options to you. You will not be receiving a copy of the Prospectus and Loyalty Options will not be offered or made available to you.

Details of the issue of Loyalty Options are set out in the Prospectus and Appendix 3B that has been lodged with ASX. Both documents are available on ASX's website (www.asx.com.au) and on the Company's website (www.bio-gene.com.au).

| **Summary of key information** | |
|---|---|
| Issue | Pro rata issue of one Loyalty Option for every five ordinary BGT shares held as at the Record Date |
| Exercise price of Loyalty Options | $0.20 (20 cents) |
| Expiry Date | 4 December 2018 |
| Eligible shareholders | The following shareholders will be eligible to receive Loyalty Options:<br>- holders of shares on the Company's register of shareholders at the Record Date; and<br>- who reside in Australia and New Zealand. |

If you have any questions in relation to the proposed issue of Loyalty Options, please contact Bio-Gene by email at bgt.shareholder@bio-gene.com.au or by telephone on +61 3 9628 4178.

Yours sincerely,

RMcP

**Roger McPherson**
Company Secretary