

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 14 June 2012

RIGHTS ISSUE SHORTFALL

The Directors of Cardia Bioplastics Limited advise that the shortfall of approximately \$800,000 from the recent rights issue has not been placed within the time limit of 3 months, which expired on 13 June 2012.

**Rekha Company
Company Secretary**