

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 19 June 2012

APPOINTMENT OF M&A PARTNERS

Cardia Bioplastics Limited has today appointed M&A Partners, a boutique corporate advisory firm based in Melbourne, to assist the Board in exploring strategic options for the Company and in particular its Bioplastics subsidiary. These options will include discussions with potential strategic partners, cornerstone investors and leading global bioplastics manufacturers to allow the Company to access capital and further develop its products. The Board believes that the strategic value of its Compostable and Biohybrid resins and recent product supply agreements with major global packaging companies are not properly reflected in the market value of the Company.

**Pat Volpe
Chairman**

About Cardia Bioplastics

Cardia Bioplastics Limited (ASX CODE: CNN), through its 100% owned subsidiary Cardia Bioplastics (Australia) Pty Ltd, develops, manufactures and markets sustainable resins derived from renewable resources for the global packaging and plastic products industries. The company holds a strong patent portfolio and its growth is fuelled by the global trend towards sustainable packaging. Established in Australia in 2002 as Biograde, the company Headquarters and Global Applications Development Centre is in Melbourne, Australia. The Product Development Centre and manufacturing plant is in Nanjing, China. There are Cardia Bioplastics offices in the Americas, Europe, Asia and China, and a network of leading distributors across Australia, the Americas, Asia and Europe. Visit www.cardiabioplastics.com.

About M&A Partners

M&A Partners Pty Ltd is a Melbourne based corporate advisory firm specializing in assisting both listed and unlisted SME companies with regard to capital raising's, mergers, acquisitions and identifying strategic and cornerstone investors. M&A Partners advised the Boards of both Ausmelt Limited and KLM Limited in successful (Board recommended) takeovers, achieving outstanding results for their shareholders. M&A Partners has also successfully raised both debt and equity capital in FY12 for a number of private companies and works closely with

Corporates, Family Offices and HNW clients seeking investment in high growth SME businesses. For further information refer: www.mapartners.com.au

Further information:

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