



Immuron Completes A\$5.1M Placement to US Fund

Melbourne, Australia, March 16, 2018: Immuron Limited (ASX: IMC; NASDAQ: IMRN), an Australian microbiome biopharmaceutical company focused on developing and commercializing orally delivered targeted polyclonal antibodies for the treatment of inflammatory mediated and infectious diseases, is pleased to advise of the completion of its \$5.1M private placement to a large U.S. institutional investment fund.

As previously announced, the terms of the private placement raised Immuron approximately A\$5.1 million (before costs of the offer) for the issuance of 13,162,744 new ASX shares at A\$0.39 per share, plus three new free-attaching options for every 5 new shares issued resulting in 7,897,647 new options being issued exercisable at A\$0.468 per option, expiring 5 years from the date of issue.

The following information is provided as required under LR3.10.5A:

The Company issued 12,931,546 fully paid ordinary shares under its 10% capacity under Listing Rule 7.1A (Capacity Shares), representing part of the total number of securities issued under this private placement.

Further information as required:

- a) the dilutive effect on existing shareholders of the 10% Capacity Shares is as follows:

No. of shares on issue prior to private placement	129,615,462
Shares issued to investor under LR7.1A (Capacity Shares)	12,961,546
Dilution as a result of issue under LR7.1A	10%
Shares issued to investor under LR7.1 as part of this placement	201,198
Total number of shares now on issue	142,778,206

- b) the placement was undertaken following identified demand for shares the Company's securities by a large US institutional investment fund. The issue price per share under the placement was \$0.39, representing a 2.70% discount to the volume weighted average price (VWAP) for the 15 days on which trades of the Company's shares were recorded on ASX ending on 13 March 2018 (data obtained from Commsec).

The private placement to one large US fund was considered the most efficient and effective method of meeting this identified demand to secure future funding for the Company's ongoing clinical programs, support marketing initiatives surrounding the Company's flagship product Travelan, which has already experienced significant sales growth through the first half of financial year 2018, and provide ongoing working capital for the Company.

- c) There was no underwriting agreement in relation to this placement. As joint placement agents for the offering, Joseph Gunnar & Co., LLC and H.C. Wainwright & Co. each received a 4% fee for funds raised, plus 4% option coverage for every share issued.

d) Standard commercial legal, placement and issuances fees were payable on the offer and placement.

Further details regarding the issue of the shares are contained within the accompanying Appendix 3B.

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COMPANY CONTACT:

Jerry Kanellos
Chief Executive Officer (Interim)
Ph: +61 (0)3 9824 5254
jerrykanellos@immuron.com

USA INVESTOR RELATIONS:

Jon Cunningham
RedChip Companies, Inc.
US Ph: +1 (407) 644 4256, (ext. 107)
jon@redchip.com

AUS INVESTOR RELATIONS:

Peter Taylor
NWR Communications
Ph: +61 (0)412 036 231
peter@nwrcommunications.com.au

ABOUT IMMURON:

Immuron Limited (ASX: IMC, NASDAQ: IMRN), is an Australian microbiome biopharmaceutical company focused on developing and commercializing orally delivered targeted polyclonal antibodies for the treatment of inflammatory mediated and infectious diseases.. Immuron has a unique and safe technology platform that enables a shorter development therapeutic cycle. The Company currently markets and sells Travelan® for the prevention of Travelers' Diarrhea and its lead clinical candidate, IMM-124E, is in Phase II clinical trials for **Non-Alcoholic Steatohepatitis (NASH)**, **Severe Alcoholic Hepatitis (SAH)** and Pediatric **Nonalcoholic Fatty Liver Disease (NAFLD)**. Immuron's second clinical stage asset, IMM-529, is targeting **Clostridium difficile Infections (CDI)**. These products together with the Company's other preclinical immunotherapy pipeline products targeting immune-related diseases currently under development, will meet a large unmet need in the global immunotherapy market.

For more information visit: <http://www.immuron.com>

FORWARD-LOOKING STATEMENTS:

This press release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, each as amended. Such statements include, but are not limited to, any statements relating to our growth strategy and product development programs and any other statements that are not historical facts. Forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that could negatively affect our business, operating results, financial condition and stock value. Factors that could cause actual results to differ materially from those currently anticipated include: risks relating to our growth strategy; our ability to obtain, perform under and maintain financing and strategic agreements and relationships; risks relating to the results of research and development activities; risks relating to the timing of starting and completing clinical trials; uncertainties relating to preclinical and clinical testing; our dependence on third-party suppliers; our ability to attract, integrate and retain key personnel; the early stage of products under development; our need for substantial additional funds; government regulation; patent and intellectual property matters; competition; as well as other risks described in our SEC filings. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations or any changes in events, conditions or circumstances on which any such statement is based, except as required by law.

Appendix 3B

New Issue Announcement, Application for Quotation of Additional Securities and Agreement

*Information or documents not available now must be given to ASX as soon as available.
Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of Entity

Immuron Limited (ASX: IMC) (NASDAQ: IMRN)

ABN

80 063 114 045

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | *Class of *securities issued or to be issued | a) Ordinary Shares (IMC)
b) Options over ordinary shares (New Class)
c) Options over ordinary shares (New Class)
d) NASDAQ American Depositary Receipts (ADRs) |
| 2 | Number of *securities issued or to be issued (if known) or maximum number which may be issued | a) 13,162,744
b) 7,897,647
c) 526,510
d) 7,500 |
| 3 | Principal terms of the *securities (e.g. if options, exercise price and expiry date; if partly paid *securities, the amount outstanding and due dates for payment; if *convertible securities, the conversion price and dates for conversion) | a) Ordinary Fully Paid Shares (IMC)
b) Unlisted options exercisable at \$0.468 on or before 15 March 2023
c) Unlisted options exercisable at \$0.585 on or before 15 March 2023
d) NASDAQ Fully Paid ADRs (IMRN) |

4	<p>Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>a) Yes (IMC)</p> <p>b) Yes, upon exercise (IMC)</p> <p>c) Yes, upon exercise (IMC)</p> <p>d) Yes, (IMRN)</p>
5	Issue price or consideration	<p>a) \$5,133,470</p> <p>b) NIL – New free-attaching 3 options for every 5 new shares.</p> <p>c) NIL – Broker shares as part of placement fee.</p> <p>d) USD\$75,000</p>
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>a), b), & c) Private Placement to Institution Investment Fund.</p> <p>Funds raised from the placement will fund Immuron’s ongoing clinical programs, support marketing initiatives surrounding the Company’s flagship product Travelan, and provide ongoing working capital for the Company.</p> <p>d) Exercise of NASDAQ Warrants (IMRNW)</p>
6a	<p>Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B, and comply with section 6i</i></p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	13 November 2017
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	8,625,355
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	12,961,546
6e	Number of ⁺ securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil

6f Number of +securities issued under an exception in rule 7.2 Nil

6g If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. Yes, refer to the accompanying announcement.

6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements N/A

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements Refer to the attached Appendix 1

7 +Issue dates
Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.
Cross reference: item 33 of Appendix 3B. Friday 16th March 2018

	Number	+Class
8	142,778,206	Fully Paid Ordinary Shares (IMC)
	25,289,894	Listed Options (IMCOB) exercisable at A\$0.55 on or before 30 Nov 2019

9

Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)

Qty	+Class (Options over Ordinary Shares)		
Amount	Exercise Price	Expiration Date	ASX Code
1,050,000	AUD\$0.500	1 Oct 2018	IMCAC
1,000,000	AUD\$0.570	24 Feb 2019	IMCAI
15,380	AUD\$1.892	28 Feb 2019	IMCAI
140,056	AUD\$0.300	28 May 2019	IMCAI
7,625,532	AUD\$0.500	27 Nov 2019	IMCAI
14,493	AUD\$1.944	30 Nov 2021	IMCRM1
29,668	AUD\$1.876	17 Jan 2022	IMCRM2
27,760,000 (694,000 Warrants)	USD\$10.00 for every 40 options	13 Jun 2022	IMCAI
7,897,647	AUD\$0.4680	15 Mar 2023	New Class
526,510	AUD\$0.5850	15 Mar 2023	New Class
46,059,286	TOTAL		

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) Unchanged

Part 2 - Pro rata issue

11	Is security holder approval required?	-
12	Is the issue renounceable or non-renounceable?	-
13	Ratio in which the +securities will be offered	-
14	+Class of +securities to which the offer relates	-
15	+Record date to determine entitlements	-
16	Will holdings on different registers (or sub-registers) be aggregated for calculating entitlements?	-
17	Policy for deciding entitlements in relation to fractions	-
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	-
19	Closing date for receipt of acceptances or renunciations	-
20	Names of any underwriters	-
21	Amount of any underwriting fee or commission	-
22	Names of any brokers to the issue	-
23	Fee or commission payable to the broker to the issue	-
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	-

25	If the issue is contingent on security holders' approval, the date of the meeting	-
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	-
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	-
28	Date rights trading will begin (if applicable)	-
29	Date rights trading will end (if applicable)	-
30	How do security holders sell their entitlements <i>in full</i> through a broker?	-
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	-
32	How do security holders dispose of their entitlements (except by sale through a broker)?	-
33	*Issue date	-

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of *securities
(tick one)

(a) ☒ *Securities described in Part 1

(b) ☐ All other *securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another +security, clearly identify that other +security)
- 42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)
- | Number | +Class |
|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> |

Quotation agreement

- 1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those ⁺securities should not be granted ⁺quotation.
 - An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company Secretary & CFO

Date: Friday, 16th March 2018

Print name:

Peter Vaughan



The CFO Solution

Friday 16 March 2018

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	105,641,417
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	25,575,000 (LR 7.3) 399,045 (LR 7.4)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	2,000,000
“A”	129,615,462
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	19,442,319

Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used

<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • This applies to equity securities, unless specifically excluded – not just ordinary securities • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	8,625,355
“C”	8,625,355

Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1

<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	19,442,319
<p>Subtract “C” ,,</p> <p><i>Note: number must be same as shown in Step 3</i></p>	8,625,355
<p>Total [“A” x 0.15] – “C”</p>	<p>10,816,964</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	129,615,462

Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	12,961,546

Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
<i>Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A</i> <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	12,961,546
“E”	12,961,546

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	12,961,546
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	12,961,546
Total [“A” x 0.10] – “E”	0 <i>[Note: this is the remaining placement capacity under rule 7.1A]</i>



Notice Under Section 708A (5) of the Corporations Act (ASX Code: IMC)

This notice is given under paragraph (5)(e) of section 708A of the Corporations Act.

Type	Shares	Options	Options
Class	Ordinary Fully-Paid Shares	Unlisted Options	Unlisted Options
ASX code	IMC	'New Class'	'New Class'
Date of Issue	16 March 2018	16 March 2018	16 March 2018
Number Issued	13,162,744	7,897,647	526,510
Specifics (if any)	N/A	Exercisable at \$0.468 on or before 15 March 2023	Exercisable at \$0.585 on or before 15 March 2023

Immuron Limited gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (the "Corporations Act") that:

- the abovementioned ordinary shares were issued without disclosure to investors under Part 6D.2 of the *Corporations Act*;
- as at the date of this notice the Company has complied with:
 - the provisions of Chapter 2M *Corporations Act* as they apply to the Company; and
 - section 674 *Corporations Act*; and
- as at the date of this notice there is no "excluded information" (as defined in subsection 708A (7) of the *Corporations Act*) which is required to be disclosed by the Company.

For and on behalf of the Company,

Kind Regards;

Peter Vaughan
Company Secretary
Immuron Limited