

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 12 December 2014

OPTION EXPIRY NOTICE

Cardia Bioplastics Limited ("Cardia") advises that an Option Expiry Notice has been sent to all Listed Option Holders in relation to the expiry of the Listed Options (ASX Code : CNNO) on 31 December 2014.

Listed Options not exercised by 5.00 pm AEDT on 31 December 2014 will automatically expire.

A copy of the Option Expiry Notice sent to Optionholders is attached.

**Rekha Bhambhani
Company Secretary**

12 December 2014

cardiabioplastics.com
info@cardiabioplastics.com

Dear Optionholder

NOTICE TO OPTION HOLDERS

We write to you as a registered holder of the above number of options (CNNO) as at today's date. These options entitle you to acquire ordinary fully paid shares in Cardia Bioplastics Limited.

You are formally advised that these options will expire at 5.00 pm AEDT on 31 December 2014.

Options may be exercised wholly or in part by completing the exercise of options form and payment of 0.6 cents (\$0.006) for each option exercised, by no later than 31 December 2014. If the "Application for Shares upon exercise of Options" form and payment is not received by 5.00 pm AEDT on 31 December 2014 the options will not be exercised and will result in the forfeiture of any rights that you as an optionholder may have in relation to ordinary shares.

Each option exercised, entitles you to acquire one ordinary fully paid share and the exercise price is 0.6 cents (\$0.006) per option.

Pursuant to Listing Rule 6.24, Appendix 6A of the Australian Securities Exchange Limited (ASX), the Company provides the information contained in this notice.

Market Sale Price of Quoted Securities

- The market sale price of ordinary fully paid shares in Cardia Bioplastics Limited on the ASX was 0.2 cents (\$0.002) 11th December 2014, being the last trading day prior to the date of this notice.

During the three months preceding the date of this notice:

- the highest market price on the ASX was 0.4 cents (\$0.004) on 12th, 18th, 23rd & 24th of September 2014 ; and
- the lowest market price on the ASX was 0.1 cents (\$0.001) on 12th November 2014.

- The market sale price of quoted Cardia Options (CNNOB- Expiry 30 June 2015) on the ASX was 0.1 cents (\$0.001) on 11 December 2014, being the last trading day prior to the date of this notice.

During the three months preceding the date of this notice:

- the highest market price and the lowest market price of CNNOB on the ASX was 0.1 cents (\$0.001)

- The market sale price of quoted Cardia Options (CNNO- Expiry 31 December 2014) on the ASX was 0.1 cents (\$0.001) on 11 December 2014, being the last trading day prior to the date of this notice.

During the three months preceding the date of this notice:

- the highest market price and the lowest market price of CNNO on the ASX was 0.1 cents (\$0.001)

Last Date of Quotation on ASX

Last date of quotation of the options on ASX will be Monday, 22 December 2014.

A "Notice of Exercise of Options and Applications for Shares" form is enclosed for your completion.

How to Exercise your Options

Please complete the enclosed "Applications for Shares upon exercise of Options" form and then forward it together with your cheque, to be received by 5.00pm AEDT on 31 December 2014 to:

Advanced Share Registry Limited
PO Box 1156
NEDLANDS WA 6909
Telephone: (08) 93898033
Facsimile: (08) 92623723

Payments must be in Australian Dollars only, and cheques should be made payable to Cardia Bioplastics Limited and crossed "Not Negotiable" and drawn on an Australian bank.

Yours Sincerely,

Richard Tegneri
Chairman