

Dear Option Holder;

## IMMURON LIMITED - RIGHTS ISSUE

Immuron Limited (ASX: IMC) (**Immuron**) announced to ASX on 31 May 2016 a non-renounceable pro-rata Offer to eligible shareholders to subscribe for 3 new fully paid ordinary share in Immuron for every 10 shares held as at 3 June 2016 (the **Record Date**) at an offer price of \$0.25 (25 cents) per share (**Rights Issue**) to raise approximately \$6 million (before costs).

The ASX Listing Rules require Immuron to provide you notification of your right to participate in the Rights Issue and the record date of the Rights Issue.

Eligible shareholders who participate in the Rights Issue Offer will receive a 1:1 free-attaching New Option exercisable at \$0.50 per option, expiring 3 years from the date of issue for each New Share subscribed to. The issuance options will be subject to shareholder approval at the Company's next forthcoming meeting of members.

Your options do not entitle you to participate in the Rights Issue. You are entitled to participate in the Rights Issue in respect of your options only if you exercise your options (in accordance with the terms of those options) and are entered into Immuron's share register as a shareholder on or before the Record Date.

The purpose of this letter is to give you notice prior to the Record Date in which you may exercise your options should you wish to participate in the Rights Issue.

If you exercise your options and are entered into Immuron's share register as a shareholder on or before the Record Date, and have a registered address in Australia and New Zealand, you will be sent an offer booklet and an entitlement and acceptance form in respect of the Rights Issue.

The Rights Issue has received firm commitments from Directors and Major Investors of Immuron as well as Shortfall Applicants, to the value of \$3M. Details of the potential effect of the thus far received commitment arrangements on Immuron are set out in the offer booklet.

Eligible shareholders who take up their entitlements in full will be able to apply for any additional new shares not taken up by eligible shareholders.

It is intended that net proceeds raised from the Offer will be used to fund the following activities:

1. NASH: Phase II Results of Interim Analysis and development of MHRA Protocol / Initiation of Phase II/III Study (Europe);
2. C-Difficile: Clinical supplies and initiation of Phase I;
3. OTC: Marketing and New Market expansion for Travelan and Protectyn;
4. Colitis: Completion of pre-clinical studies;
5. Corporate: Repayment of outstanding Convertible Note Facility;
6. Working Capital: Other working capital requirements including manufacturing improvements.

You should note that should the Company not raise the aggregate \$6 million proposed under the Offer, the Company will review its proposed use of funds depending on the actual amount raised.

Summary of Key Information	
Type of offer	Non-Renounceable pro rata offer to eligible shareholders of up to 24 million fully paid ordinary shares. The New Shares will rank equally in all respects from the date of allotment with the existing class of quoted shares.
Offer Price	\$0.25 (25 cents) per New Share.
Offer Ratio	3 New Shares for every 10 existing shares held at the Record Date. Fractions will be rounded up.
Additional New Shares	Eligible shareholders will have the opportunity to apply for additional shares as oversubscriptions on their Entitlement Form.
Ranking of New Shares	The New Shares will be fully paid and will rank equally in all respects with Immuron's existing issued ordinary shares.
Eligible shareholders	In accordance with the ASX Listing Rules, the Directors of Immuron have determined that the following shareholders will be eligible to participate in the Entitlement Offer: <ul style="list-style-type: none"> <li>holders of shares in Immuron, who are entered on the register of shareholders, as at the Record Date;</li> <li>who are resident in Australia and New Zealand;</li> <li>who are not US Persons (as defined in Regulations made under the Securities Act 1933 (US)); and</li> <li>who are not acting on account for or on behalf of US Persons.</li> </ul>

Indicative Timetable - Event	Date
Announcement of Rights Issue, Offer Document, Appendix 3B and cleansing notice lodged with ASX	Tues, 31 May 2016
Offer Document lodged with ASX	Tues, 31 May 2016
Notice to Shareholders containing information required by Appendix 3B	Wed, 1 June 2016
Ex-date – the date on which Shares commence trading without the entitlement to participate in the Rights Issue	Thurs, 2 June 2016
Record Date – the date for determining entitlements of Shareholders to participate in the Rights Issue	Fri, 3 June 2016
Dispatch of Offer Document and Entitlement and Acceptance Form	Wed, 8 June 2016
Rights Issue opens for acceptances	Thurs, 9 June 2016
Closing Date	Mon, 20 June 2016
Notification to ASX of under-subscriptions	Thurs, 23 June 2016
Allotment of New Shares	Mon, 27 June 2016
Commencement of normal trading	Mon, 27 June 2016

- \* These dates are subject to change and are indicative only. Subject to compliance with the ASX Listing Rules, Immuron reserves the right to:
- not proceed with the Rights Issue and return any applications moneys received without interest; or
  - vary the dates and times above including closing the offer earlier or later.

If you have any questions in relation to the Rights Issue, please do not hesitate to contact Immuron on +61 (0)3 9824 5254.

For and on behalf of the Company;

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Peter Vaughan', with a stylized flourish at the end.

**Peter Vaughan**  
Company Secretary  
Immuron Limited