Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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)

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	Ordinary Shares (IMC)
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	1,931,745,402
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)	Fully Paid Ordinary Shares (IMC)

4	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	Yes (IMC)
5	Issue price or consideration	$0.005 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Renounceable Rights Issue
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	29 November 2013
6c	Number of +securities issued without security holder approval under rule 7.1	Nil
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
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	1,931,745,402

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.	N/A
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.	3 March 2014

8 Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)

Number	**+Class**
2,985,424,712	Ordinary Fully Paid Shares (IMC)
116,024,381	Listed Options exercisable at $0.04 on or before 30 April 2015.

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

Number	+Class (Options over Ordinary Shares)		
Amount	**Exercise Price**	**Expiration Date**	**ASX Code**
4,000,000	$0.0700	30 June 2014	IMCSO
3,000,000	$0.0400	30 June 2015	IMCSO1
7,000,000	$0.0400	1 Nov 2017	IMCSO2
579,736	$0.0497	30 Nov 2021	IMCRM1
1,186,729	$0.0480	17 Jan 2022	IMCRM2
155,317,501	$0.0100	31 Mar 2016	IMCAI
31,746,031	$0.0075	30 June 2016	IMCAI
50,000,000	$0.012	4 Dec 2016	IMCAI
252,829,997	**Total**		

Number	+Class (Convertible Note)	
Maximum No. of Ordinary Shares	**Details**	**Expiration Date**
20,525,873	This is the maximum number of fully paid ordinary shares that can be issued to Paladin Labs Inc. under the terms of the convertible debenture entered into in December 2011. The conversion into fully paid ordinary shares is to be no later than 23 Dec 2014	23 Dec 2014
10,253,700	Maximum number of fully paid ordinary shares that can be issued to Paladin labs Inc. under the terms of the Tranche 2 Convertible Debenture. The conversion into fully paid ordinary shares is to be no later than January 2015.	
30,779,573	**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?	No
12	Is the issue renounceable or non-renounceable?	Renounceable
13	Ratio in which the +securities will be offered	Eleven (11) New Shares for every six (6) Shares held at the Record Date
14	+Class of +securities to which the offer relates	Ordinary Fully Paid Shares (IMC)
15	+Record date to determine entitlements	3 February 2014
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up to the nearest whole number
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Counties other than Australia and New Zealand.
19	Closing date for receipt of acceptances or renunciations	5:00pm AWST on 21 February 2014
20	Names of any underwriters	Patersons Securities Limited
21	Amount of any underwriting fee or commission	Underwriting Fee: $609,600 Lead Manager's Fee: $60,000
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A

26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	7 February 2014
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	22 January 2014
28	Date rights trading will begin (if applicable)	28 January 2014
29	Date rights trading will end (if applicable)	14 February 2014
30	How do security holders sell their entitlements *in full* through a broker?	Contact their stockbroker and provide details as requested which will appear on the Entitlement and Acceptance Form accompanying the Offer Document before 4.00 pm (AEDT) on 14 February 2014.
31	How do security holders sell *part* of their entitlements through a broker and accept for the balance?	Contact their stockbroker and provide details as requested which will appear on the Entitlement and Acceptance Form accompanying the Offer Document before 4.00 pm (AEDT) on 14 February 2014.
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Transfer all or part of their entitlement to another person by way of an off-market transfer. Complete a standard renunciation form (which can be requested from the Company's Share Registry, Security Transfer Registrars), and return it together with the Entitlement and Acceptance Form (completed by the transferee) and the transferee's cheque to the Share Registry by 5:00pm AWST on 21 February 2014.
33	+Issue date	3 March 2014.

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**

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: _____ Date: Wednesday, 22 January 2014

Company Secretary

Print name: Peter Vaughan

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	414,096,557
Add the following: • 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:* • *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*	2,553,015,488 (LR 7.2) 18,229,167 (LR 7.3)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
"A"	2,985,341,212

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	447,801,181

Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *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*	83,500
"C"	83,500

Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	447,801,181
Subtract "C" *Note: number must be same as shown in Step 3*	83,500
Total ["A" x 0.15] – "C"	447,717,681 *[**Note**: this is the remaining placement capacity under rule 7.1]*

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" *Note: number must be same as shown in Step 1 of Part 1*	2,985,341,212

Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	298,534,121

Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *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*	Nil
"E"	Nil

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"**A**" x 0.10 *Note: number must be same as shown in Step 2*	298,534,121
Subtract "E" *Note: number must be same as shown in Step 3*	Nil
Total ["A" x 0.10] – "E"	298,534,121 *Note: this is the remaining placement capacity under rule 7.1A*