Immuron Extinguishes Paladin Debt

Melbourne, Australia, 5th May 2014: Australian biopharmaceutical company Immuron Limited (ASX: IMC) is pleased to announce that its debt to Paladin Labs in the amount of CAD$1.5M has been repaid. Paladin Labs Inc., is one of Canada's leading specialty pharmaceutical companies and is focused on acquiring innovative pharmaceutical products for the Canadian and other markets.

In November 2011, Paladin agreed to provide to Immuron debt financing in the amount of CAD$1.5M when Paladin and Immuron entered into a license agreement for the distribution of Travelan in Canada and other countries. Immuron and Paladin together prepared an application for regulatory approval to sell Travelan in Canada and in November 2013 the Canadian regulator, Health Canada granted that approval. This approval is expected to be followed by a launch of Travelan in Canada.

The debt facility from Paladin enabled Immuron to continue to fund its operations without encumbering any of its intellectual property and other core assets. Following the successful raising of $9.66M in capital through a fully underwritten rights issue earlier this year, Immuron no longer requires the debt financing from Paladin.

Immuron's Chief Executive Officer Amos Meltzer said: "On 22 January 2014, when we announced the raising of $9.66M by way of a renounceable pro-rata rights issue, our stated intention was to apply a portion of the net proceeds to repay the debt owed to Paladin. We have now removed Immuron's significant ongoing interest payment obligations as well as strengthened the balance sheet."

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About Immuron

Immuron is a biopharmaceutical company focused on oral immunotherapy treatments using dairy-derived antibody products for humans. Immuron's technology platform products all have a very high safety profile. The company's current products and product candidates address infectious diseases of the gastrointestinal tract as well as chronic diseases. Immuron has an on-market product, Travelan, for preventing travellers' diarrhoea. Immuron also has a phase 2 clinical product candidate for the treatment of inflamed fatty liver disease, known as Non-Alcoholic Steatohepatitis or NASH. Immuron's main scientific alliances are with Hadassah Medical Center (Israel) and Monash University (Australia).