24 January 2014

Dear Shareholder,

2014 Renounceable Rights Issue Offer and Shortfall Offer

As announced to the market on 22 January 2014, Immuron Limited (ASX: IMC) (**Company**) is pleased to provide an opportunity to its shareholders to participate in a renounceable pro-rata rights issue (the **Offer**). The Offer will raise approximately $9.66 million before transaction costs and is fully underwritten. Pursuant to the Offer, the Company expects to issue 1,931,745,402 new fully paid ordinary shares (**New Shares**) at an issue price of $0.005 (0.5 cents) per New Share.

Patersons Securities Limited is Lead Manager and Underwriter to the Offer. BBY Limited is Broker to the Offer.

The Company intends to use the net proceeds raised from the Offer to fund Phase 2B clinical trials for the treatment of Non-Alcoholic SteatoHepatitis (**NASH**), to continue the global commercialisation of Travelan, to repay the existing debt owed to Paladin, for general working capital purposes and to fund the development and commercialization of other Immuron products.

"This capital raising is an important milestone for Immuron," said Immuron CEO Amos Meltzer. "It is the first time in a long time that funds have been raised for growth, rather than survival. With the protracted turn-around process well and truly bedded down, these funds will ensure that the Company's technology platform can be exploited for a range of products".

"Foremost, we are excited to be finally pursuing the important Phase 2B trial for NASH. NASH is a very large unmet medical need with relatively few companies developing a product for it. Those companies with NASH product candidates, like Immuron, can expect to be in the spotlight. This notion was recently exemplified by Intercept Pharmaceuticals (NASDAQ: ICPT) which announced positive phase 2B clinical trial results on 9 January 2014 and saw its market value soar from $1.5 billion to over $8 billion and currently remains valued at approximately $6 billion."

The New Shares in the Rights Issue will be fully paid, they will rank equally with the Company's existing issued shares (IMC) and the Company will make an application to the ASX for official quotation of the New Shares. They will be offered to shareholders with an address in Australia or New Zealand (**Eligible Shareholders**) as at 5:00 p.m. AWST on 3 February, 2014 (**Record Date**) on the basis of eleven (11) New Shares for each six (6) fully paid ordinary shares held in the Company as at the Record Date (**Entitlement**). Fractional Entitlements will be rounded up to the nearest whole number. Those shareholders who subscribe for their full Entitlement are also able to subscribe for any New Shares other shareholders have not subscribed for under their Entitlements (**Shortfall Offer**).

The number of issued Shares in the Company at the date of this announcement and the total number of New Shares to be issued at the close of the Offer are as follows:

Shares	Number
Securities currently on issue	1,053,679,310
New Shares (issued on the basis of a 11:6 ratio)	1,931,745,402
Total	**2,985,424,712**

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Shareholders as at the Record Date that have a registered address outside Australia or New Zealand (**Ineligible Shareholders**) will not be eligible to participate in the Offer. In accordance with ASX Listing Rule 7.7.1, the Company has determined that it would be unreasonable to extend the Offer to Ineligible Shareholders.
The right to subscribe for the New Shares in accordance with an Entitlement under the Offer (**Rights**) will be renounceable which means that Eligible Shareholders who do not wish to subscribe for some or all of their Entitlement can sell their respective Rights.

Under the Offer, as an Eligible Shareholders, you may:

- take up part, or all of your Entitlement; or
- take up all of your Entitlement under the Rights Issue and subscribe for further New Shares under the Shortfall Offer; or
- take up part of your Entitlement under the Rights Issue and sell some or all of that part of your Rights not taken up; or
- sell part or all of your Rights to your Entitlement; or
- do nothing and allow your Entitlement to lapse and become part of the Shortfall.

Eligible Shareholders who are taking up part or all of their Entitlement must ensure that the completed Entitlement and Acceptance Form and application funds are received by the Company's share registry, Security Transfer Registrars, by 5.00pm AWST on the Closing Date (Friday 21 February 2014).

The proposed timetable and important dates of the Rights Issue are set out below;

Event	Date
Offer Document and cleansing notice lodged with ASX	23 January 2014
Notice to Shareholders containing information required by Appendix 3B	24 January 2014
Ex-date – the date on which Shares commence trading without the entitlement to participate in the Rights Issue	28 January 2014
Record Date – the date for determining entitlements of Shareholders to participate in the Rights Issue	3 February 2014
Dispatch of Offer Document and Entitlement and Acceptance Form	7 February 2014
Rights Issue opens for acceptances	7 February 2014
Rights trading ends	14 February 2014
Closing Date	21 February 2014
Notification to ASX of under subscriptions	26 February 2014
Allotment of New Shares	3 March 2014

This timetable is indicative only and subject to change. Subject to the Corporations Act 2001 and the ASX Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date.

The Directors also reserve the right not to proceed with the Offer (or any part of it) at any time prior to allotment of New Shares. If any application money is received before the allotment of New Shares and the Company Directors do not proceed with the Offer, the money will be returned without interest.

Full details of the Offer are contained in the Offer Document, lodged with ASX on 23 January 2014. In accordance with the ASX Listing Rules, this letter confirms the information that was released electronically yesterday. The Offer Document is available on the ASX website (www.asx.com.au). The Offer Document and the personalised Entitlement and Acceptance Form will be sent to all Eligible Shareholders on 7 February 2014.

Please ensure you read the Offer Document in its entirety and refer to the Company's ASX announcements before considering whether to participate in the Offer. If in any doubt you should consult your professional advisor.

Yours faithfully;



Roger Aston
Non-Executive Chairman
Immuron Limited

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About Immuron

Immuron is a biopharmaceutical company focused on oral immunotherapy treatments using dairy-derived antibody products for humans. Immuron versatile technology platform capable is characterized by products, all with a high safety profile. This high safety profile makes it possible to complete pre-clinical studies relatively quickly and increases the prospect that the clinical development of Immuron's products will be expedited. Immuron's current products and product candidates target infectious diseases of the gastrointestinal tract, chronic liver diseases such as inflamed fatty liver (NASH), and the treatment of Clostridium difficile infections. Immuron has one product in the market, Travelan, for preventing travellers' diarrhoea. Immuron's main scientific alliances are with Hadassah Medical Center (Israel) and Monash University (Australia).

For more information please visit: www.immuron.com and www.travelan.com.au.

Forward Looking Statements

Certain statements made in this letter are forward-looking statements. These forward looking statements are not historical facts but rather are based on Immuron's current expectations, estimates and projections about the industry in which Immuron operates, and its beliefs and assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "guidance" and similar expressions are intended to identify forward-looking statements and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the process of developing technology and in the endeavour of building a business around such products and services. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Immuron, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Immuron cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Immuron only as of the date of this release. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. Immuron will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.