



BIODIEM LTD

ABN 20 096 845 993

Level 4,

100 Albert Rd,

South Melbourne, Victoria, 3205

Australia

Phone: +613 9692 7240

Web: www.biodiem.com

06 January 2015

Dear Optionholder,

NOTICE OF EXTENSION OF EXERCISE PERIOD FOR BIODIEM OPTIONS TO 13TH FEBRUARY 2015

Options issued by BioDiem Limited ("BioDiem" or "the Company") under its Replacement Prospectus dated 1 November 2012 ("Options") were due to expire on 31 December 2014. This timing of the Options' expiry may have meant that Optionholders were unable to make a decision, or to have exercised the options, due to the holiday season. Therefore the Board has decided to extend the exercise period, so that the Options will now expire at 5.00pm AEDT on Friday 13 February 2015. The Company announced this extension on 30 December 2014.

If you are an Optionholder in the Company, your \$0.08 (8 cent) options may be exercised in whole or in part by completing an options exercise form ('Notice to Exercise Options') and returning it to the Company's registered office together with payment of the \$0.08 (8 cents) for each Ordinary Share applied for, by no later than 5:00pm AEDT on 13 February 2015.

A copy of the Notice to Exercise Options is enclosed in this letter, as well as instructions on where to send the form.

Please note a Notice of Exercise is only effective when the Company has received payment in full for the quantity of shares being applied for in cleared funds.

If the Notice of Exercise together with payment in cleared funds is not received by the Company on or before 5:00pm AEDT on 13 February 2015, the option(s) will not be exercised and will result in forfeiture of any rights that you as an Optionholder may have had in relation to ordinary shares.

If you have any enquiries concerning this Notice or your option holding, please contact the Company on + 61 3 9692 7240 Monday to Friday between 9am and 5pm AEDT.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Julie Phillips". The signature is written in a cursive style with a large, looped initial "J".

Julie Phillips

Chief Executive Officer

BioDiem Ltd

Phone + 61 3 9692 7240

BioDiem Limited

Options Exercise Notice

Attention: Company Secretary
BioDiem Limited
Level 4, 100 Albert Road
South Melbourne VIC 3205

I/We hereby give notice of exercise of my/our BioDiem Options and enclose payment of the total exercise price for those BioDiem Options (as set out in the table below) and agree to be bound by the Constitution of BioDiem.

Name of registered BioDiem Options holder	
Number of BioDiem Options being exercised	
Total exercise price to be paid	
Signature of BioDiem Options holder or person authorised to sign on behalf of the holder	
Date of this exercise notice	
Contact phone number	

Please note that to exercise your BioDiem Options before they lapse, you must return this completed notice and payment of the total exercise price so that it is received by BioDiem (at the address above) before the end of the Exercise Period.

As an alternative payment method, you may pay the exercise price via EFT by transferring the exercise price amount to the below account details:

Account Name: BioDiem Limited
BSB: 083-155
Account Number: 53-273-2667

Please use the registered name of the holder of options as a reference when making payment via EFT.

You may also fax or email the exercise notice to the below details, however please note that the Company also requests a signed original to follow in the post.

Fax: +61 3 9077 9233
Email: JPhillips@biodiem.com
Address: Level 4
100 Albert Road
South Melbourne VIC 3205