

Option Expiry Notice

Melbourne, 10 May 2012:

Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

BioDiem Limited ("the Company") advises that ASX:BDMO options expire on 31 May 2012. The Company will not be sending option expiry notices to option holders.

Details required by paragraph 6.1 of Appendix 6A in relation to 12,518,993 quoted options exercisable at \$0.23 on or before 31 May 2012 are as follows:

- (a) The number of options to which this notice applies is 12,518,993.
- (b) On exercise, each option entitles the holder to receive one fully paid ordinary share in the Company. If all options were exercised, 12,518,993 fully paid ordinary shares would be issued.
- (c) The exercise price for each option is \$0.23.
- (d) The due date for payment of the exercise price is 5.00 pm on 31 May 2012.
- (e) If payment is not received by 5.00pm on 31 May 2012, the options will lapse and all rights under the options will cease.
- (f) Official quotation of the options on ASX will cease on 24 May 2012.
- (g) The market price of fully paid ordinary shares in the Company on 9 May 2012 (being the last trading day prior to the date of this notice) was \$0.083.
- (h) During the three months immediately preceding the date of this notice, the highest market price of fully paid ordinary shares in the Company was \$0.10 on 13 February 2012, and the lowest market price was \$0.075 most recently on 30 April 2012.
- (i) Exercise of the options is not underwritten.

Yours faithfully,

A handwritten signature in black ink, appearing to read "R. Wadley".

Richard Wadley
Company Secretary

ENDS

About BioDiem Ltd

BioDiem is an ASX-listed company based in Melbourne with an international focus on discovering, developing and commercialising world-class research and technology for the prevention and treatment of infectious diseases. BioDiem's core technologies derive from its expertise with the Live Attenuated Influenza Virus (LAIV), which is an intranasal vaccine to prevent infection from seasonal and pandemic influenza.

BioDiem is also developing non-LAIV-related assets including BDM-I, a synthetic compound active against a range of pathogenic micro-organisms including gram-positive and gram-negative bacteria, fungi and protozoa. Key patents have been filed around BDM-I's antimicrobial action. BDM-I is being developed for the treatment of serious human infections with outlicensing as the intended outcome.

About LAIV Technology

The Live Attenuated Influenza Virus (LAIV) vaccine was in-licensed from the Institute of Experimental Medicine in St Petersburg, Russia, where it has been approved and used in its present form for over a decade in many millions of people - children, adults and the elderly.

LAIV vaccine is administered by nasal spray and induces a rapid immune response in the mucosal lining of the nose and pharynx. The vaccines are based on 'Master Donor Strains' that have been rendered 'cold adapted' and temperature sensitive, such that they will not replicate readily at temperatures above 33°C, as found in the lungs. The administration of the live vaccine stimulates mucosal, cellular and humoral immune responses (which are required to optimise the effective prevention of influenza), without causing the disease.

For additional information, please visit www.biodiem.com

Contact

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