



BIODIEM LTD
ABN 20 096 845 993
Level 10, South Tower,
459 Collins Street,
Melbourne, Victoria, 3000
Australia

Phone: +61 3 9613 4100
Web: www.biodiem.com
ASX: BDM

ASX Announcement

1 November 2012

BioDiem Ltd lodges replacement prospectus with ASIC

BioDiem Limited ("the Company") advises that a replacement prospectus has been lodged with the Australian Securities and Investment Commission ("ASIC") in respect of its proposed Renounceable Rights Issue to shareholders of 1 new share for every 2 shares held at 5 cents each, together with 1 free-attaching option for every 2 new shares issued ("Rights Issue"). This Prospectus replaces the prospectus lodged by the Company with ASIC and ASX on 1 October 2012.

Following discussions with ASIC, the Company has amended terms relating to the underwriting of the Rights Issue and other aspects of the prospectus lodged with ASIC on 1 October 2012, described in more detail in the replacement prospectus.

Key dates of the offer contained in the Replacement Prospectus are set out as follows:

Event	Indicative Timing
Rights trading ends	20 November 2012
Closing Date	27 November 2012
Notice of Shortfall to ASX	30 November 2012
Despatch Date	5 December 2012
Normal Trading Resumes	6 December 2012

The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, without notice to vary the times and dates of the offer, including extending the offer or accepting late applications, either generally or in particular cases.

An updated Appendix 3B is also attached.

For further information contact:

Richard Wadley

Company Secretary

Tel: +61-3-9613 4100

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

Name of entity

BioDiem Ltd

ABN

20 096 845 993

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 fully paid shares and options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Shares 51,047,777
Options 35,686,337 |
| 3 | Principal terms of the +securities (eg, 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) | Ordinary shares and options

Option exercise price 8 cents
Expiry date 31 December 2014 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • 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 	<p>Shares ~ yes Options ~no</p> <p>Options lapse on December 31 2014. Exercise price \$0.08 per option.</p>
<p>5 Issue price or consideration</p>	<p>Shares -5 cents each Options are free attaching</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>To provide on going support for the LAIV programmes. Continued development of BDM-I towards use in infectious disease applications, where new treatments are needed. Finalise BDM-E data package for out licence. Development of the LAIV-Vector technology towards proof of concept. Further development of hepatitis D&B vaccine.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A								
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)								
6f	Number of securities issued under an exception in rule 7.2								
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.								
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								
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								
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	5 December 2012							
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td>153,143,331</td> <td>Ordinary fully paid shares</td> </tr> <tr> <td>35,686,337</td> <td>Options</td> </tr> </tbody> </table>	Number	+Class	153,143,331	Ordinary fully paid shares	35,686,337	Options	
Number	+Class								
153,143,331	Ordinary fully paid shares								
35,686,337	Options								

+ See chapter 19 for defined terms.

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	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	80,000 (14 cents) 160,000 (13.6 cents)	ESOP 04/07/2013 ESOP 23/7/2014
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Unchanged	

Part 2 - Bonus issue or 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	1 share for every 2 shares held. 1 free option for every 2 new shares issued 1 free option for every 2 shares underwritten or placed by the underwriter
14	+Class of +securities to which the offer relates	Shares and options
15	+Record date to determine entitlements	11 October 2012
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes
17	Policy for deciding entitlements in relation to fractions	Rounded up
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	United States of America. United Kingdom Ireland China
19	Closing date for receipt of acceptances or renunciations	27 November 2012

+ See chapter 19 for defined terms.

20	Names of any underwriters	Patersons Securities Limited
21	Amount of any underwriting fee or commission	4% of shortfall (max \$18,554) + up to 10,162,448 Underwriters options
22	Names of any brokers to the issue	Patersons Securities Limited
23	Fee or commission payable to the broker to the issue	2% management fee
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	8 November 2012
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	
28	Date rights trading will begin (if applicable)	2 October 2012
29	Date rights trading will end (if applicable)	20 November 2012
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Security holders should instruct their stockbroker personally and provide the details as requested on the entitlement and acceptance form accompanying the prospectus. Do not forward requests for sale to the Registry.
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Security holders should instruct their stockbroker personally and forward the slip on the entitlement and acceptance form accompanying the prospectus with their Subscription Monies or make payment

+ See chapter 19 for defined terms.

Appendix 3B New issue announcement

using BPAY® for the quantity they wish to accept

- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?

A Standard Renunciation Form must be used for an off market transfer of Entitlements. These forms may be obtained through the security holder's Stockbroker or the Share Registry. The completed Standard Renunciation Form must be forwarded to the Registry by the transferee with the relevant payment and must be received by the close of the Offer.

- 33 +Despatch date

5 December 2012

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

To be provided for Options after completion of Rights Issue

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

+ See chapter 19 for defined terms.

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 date of
allotment 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)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

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 not available now, 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: 
(Director/Company secretary)

Date: 1 November 2012

Print name: Richard Wadley
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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

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 date of issue or agreement to issue	
<p>Add the following:</p> <ul style="list-style-type: none"> • 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 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	
“A”	

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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“C”	
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	
Total [“A” x 0.15] – “C”	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

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” <i>Note: number must be same as shown in Step 1 of Part 1</i>	
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A</p> <p>Notes:</p> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>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</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	

+ See chapter 19 for defined terms.

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Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.