

ACTINOGEN LIMITED

ACN 086 778 476

23 March 2012

Dear Shareholder,

Non-renounceable Rights Issue of Shares with Free Attaching Option

As you may be aware, Actinogen Limited ("Company"), is currently undertaking a pro rata non-renounceable rights issue pursuant to a prospectus dated 22 March 2012 ("Prospectus"). The Company expects that the rights Issue will close on 23 April 2012 (AWST).

The Rights Issue is open to existing shareholders in Australia and New Zealand on the basis of one (1) New Shares and one (1) Option for every two (2) Shares held at an issue price of AUD\$0.03 per New Share, to raise up to a maximum of AUD\$1,206,966.44

The Company has determined, pursuant to Listing Rule 7.7.1(a) of the Listing Rules of ASX Limited ("ASX Listing Rules"), that it would be unreasonable to make offers under the Prospectus to all countries outside of Australia and New Zealand. Accordingly, in compliance with ASX Listing Rule 7.7.1 (b), the Company wishes to advise you that it will not be extending the rights Issue to you.

The Company has applied to the Australian Securities and Investments Commission ("ASIC") for the requirement in section 615 of the Corporations Act 2001 that the Company appoint a nominee for foreign holders to be waived. If this application is unsuccessful, the Company will, subject to the approval of the ASIC, appoint a nominee securities company ("Nominee") as nominee for foreign holders of the Company's securities. The Company advises these foreign holders that the Nominee's role is to subscribe for, and be issued with, the New Shares that would otherwise have been issued to foreign shareholders if the rights issue offer had been made available to them and they had accepted. The Nominee will arrange for the sale of those New Shares and if they are sold arrange for the net proceeds to be sent to the foreign holders.

Please note that it is possible no net proceeds will be available for distribution to foreign holders, after the costs of the sale have been paid to the Nominee. We will inform you in due course of the outcome of the sale of the abovementioned New Shares.

Should you have any queries in connection with the matter, please do not hesitate to contact the Company Secretary, Mr Suraj Sanghani, on +61 8 9225 4815.

Yours faithfully
For and On Behalf of the Board



Suraj Sanghani
Company Secretary