Imugene Limited
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5th November 2014

# Imugene announces capital raising for clinical development of HER-Vaxx

- $2.25m raised in placement to sophisticated investors
- to be followed by an SPP set to open on 7th November 2014

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The Board of Imugene Limited (ASX: IMU) (**Imugene**) announces today that it has received firm commitments for a placement of $2.25m at an issue price of $0.01 per share from sophisticated investor clients of Forrest Capital. The investment includes a subscription by Otto Buttula, currently Non-Executive Director of the Company for shares amounting to $150,000. Mr Buttula's subscription will be subject to shareholder approval at the Company's annual general meeting scheduled for 25th November 2014.

The placement is to be followed by an offer to the Company's existing shareholders under a share purchase plan (**SPP**) that is targeted to open on Friday 7th November 2014. The SPP will be offered to current shareholders at the same price as the placement, and investments will be permitted in $1,000 increments up to a maximum investment of $15,000 per shareholder. Further details on the SPP are set out below.

The Company's Chief Executive, Charles Walker said "We are delighted to welcome new and existing shareholders to Imugene in this placement. We also look forward to giving our valued smaller shareholders the chance to participate via the SPP on the same terms as our sophisticated investors. These funds support the development of HER-Vaxx and our very promising new therapy for gastric and other HER-2 positive cancers."

Funds raised will be applied to the manufacture of HER-Vaxx sufficient for initiating clinical trials, initiating the company's Phase Ib/II clinical trial in patients with metastatic gastric cancer, preclinical work, corporate costs, intellectual property prosecution and general corporate purposes. Significant progress has been made on the manufacture of clinical quantities of HER-Vaxx and manufacturing partners have already been appointed. Work continues on finalising the clinical trial protocol, and quotes from numerous clinical research organisations have been obtained to ensure high quality and robust execution of the clinical trial. The Company expects to organise an IND with the FDA in the first half of next year and begin the clinical trial shortly thereafter.

**Phase Ib/II Trial of HER-Vaxx in Patients with Metastatic Gastric Cancer**

The Company's next clinical trial is to be conducted in patients with metastatic HER-2 positive gastric cancer. The trial has a two-part design consisting of:

- an open label Phase Ib component for dose characterisation/selection of HER-Vaxx given concurrently with chemotherapy, immediately followed by
- a randomised, placebo-controlled, double-blinded, multicenter Phase 2 evaluation of HER-Vaxx or placebo, given concurrently with chemotherapy.

Pending final protocol closure, it is expected HER-Vaxx will be tested in three dose cohorts of six patients each for the open label Phase Ib part of the study. The HER-Vaxx dose group that yields the highest

overall antibody titres while exhibiting acceptable safety/tolerability will be selected for evaluation in the randomized Phase 2 portion of the trial.

Safety will be overseen by an external Data and Safety Monitoring Board (DSMB). The Phase 2 dose of HER-Vaxx will be selected based on safety and immunogenicity data collected from study enrolment to study day 98 for each patient participating in the Phase Ib part of the study. The safety data from the Phase Ib part of the study will be submitted to the FDA following completion of the Phase Ib treatment.

After completion of Phase Ib, and the Phase 2 HER-Vaxx vaccine dose has been determined, the randomised, multicentre, placebo-controlled, double-blinded Phase 2 evaluation of clinical activity for HER-Vaxx can begin. During the Phase 2 part of the trial study patients will be randomised (1:1) in a double-blinded fashion to receive either: HER-Vaxx plus chemotherapy or placebo plus chemotherapy.

The Company expects the Phase Ib trial to begin in the second half of 2015 and that data from the open label Phase Ib part of the study will become available thereafter.

Investors looking for further information should refer to the Company's website (www.imugene.com).

**Summary of terms of the SPP**

Under the SPP, Imugene invites invite eligible shareholders to participate by purchasing up to $15,000 of Imugene ordinary shares without incurring brokerage or transaction costs.

Shareholders will be sent an offer letter, SPP terms and conditions, and an application form to enable them to consider this investment.

A summary of the SPP details that will be sent to shareholders is set out below:

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| **Record Date** | Friday 31st October 2014 (7.00pm, Melbourne time) | Date for deciding eligible shareholders |
| **Announcement Date** | Wednesday 5th November 2014 | SPP is announced to the market |
| **Opening Date** | Friday 7th November 2014 | Announcement that SPP documents have been dispatched |
| **Issue price** | $0.010 per share | This represents an approximate 21% discount to the 30 day volume weighted average market price for Imugene's ordinary shares calculated for the period prior to announcement of the SPP. |
| **Application Amounts** | Minimum of $1,000 (100,000 shares), up to a maximum of $15,000 (1,500,000 shares) (with staged increments of $1,000, e.g. $2,000, $3,000, $4,000) | Minimum and maximum amounts and applicable multiples |
| **Closing Date** | Friday 28th November 2014 | SPP closes at 5.00pm (Melbourne time) on this date |
| **Allotment Date** | Monday 8th December 2014 | Shares to be issued under SPP are allotted |
| **Holding Statement Dispatch Date** | Tuesday 9th December 2014 | Confirmation of transaction dispatched to shareholders |
| **Quotation Date** | Wednesday 10th December 2014 | Date on which Imugene shares are expected to trade on ASX |

**For further information contact:**

If you have any questions in relation to the SPP, please contact the offer information line on 1300 135 403 (within Australia) or +61 1300 135 403 (outside Australia) between 8:30am and 5:30pm (Melbourne time), Monday to Friday.

Alternatively, the contact details for Imugene directly are:


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