

**ASX RELEASE**

23 November 2017

Level 3, 62 Lygon Street  
Carlton VIC 3053*Not for release to US wire services or distribution in the United States***IMUGENE RAISES \$8.7 MILLION**

Imugene Limited (ASX code: IMU) (**Imugene** or **Company**), a clinical stage immunoncology company has received commitments to raise \$8.7 million via a \$6.7 million institutional placement and a \$2.03 million fully underwritten entitlement offer. The proceeds from the offering will enable the Company to complete its Phase Ib/2 HER-Vaxx clinical trial along with further trial expansion and development of its clinical pipeline. The Placement is priced at \$0.018 per new share to institutional and sophisticated investors (and 1 new option for every 2 new shares issued with an exercise price of \$0.026 per new option exercisable on or before 30 November 2020), while the entitlement offer is a 1 for 21 non-renounceable entitlement offer (and 1 new option for every two New Shares issued) which is fully underwritten by Bell Potter Securities Limited.

Imugene's Chief Executive Officer, Leslie Chong said "The level of demand from new and existing shareholders in this raise speaks to the commercial and clinical potential of Imugene's technology. I warmly welcome the new institutional and sophisticated investors to our company and thank our existing shareholders for their continued support.

The company is focussed on progressing the clinical development of HER-Vaxx and on enhancing our collaborations with medical institutions in order to realise the significant value in the production of mimotopes. Our goal is to continue strengthening the substantial body of evidence which underpins the development of our innovative technology."

**Key Points**

- Imugene raises \$8.7 million through an oversubscribed placement to institutional and sophisticated investors (**Placement**) and an underwritten entitlement offer (**Entitlement Offer**) (together, the **Offer**).
- Placement to raise approximately \$6.7 million (the maximum allowed under the Company's 25% capacity).
- Participants in the raise include US and Hong Kong funds, leading Australian life science funds, and the Company's existing two largest institutional shareholders.
- The Entitlement Offer is a 1 for 21 non-renounceable underwritten entitlement offer (and 1 new option for every 2 New Shares issued with an exercise price of \$0.026 per new option exercisable on or before 30 November 2020) to raise up to \$2.03 million.

- Offer price of \$0.018 per new share, a 21.7% discount to the closing price of Imugene shares on 20 November 2017. Shareholders who participate in the Placement are not eligible to participate in the Entitlement Offer.

## Equity Raising

Imugene Limited (**Imugene**) has received commitments for a placement to institutional investors to raise approximately \$6.7 million (**Placement**). The offer price for the Placement was \$0.018 per new share (with 1 new option for every 2 new shares issued with an exercise price of \$0.026 per new option exercisable on or before 30 November 2020). The offer price represents a 14.3% discount to the 30 day VWAP, a 20.9% discount to the weighted average closing price for the 15 trading days to 20 November 2017 and a 21.7% discount to the closing price as at 20 November 2017. The Placement was oversubscribed with strong demand from new and existing shareholders. Bell Potter Securities Limited (**Bell Potter**) acted as Lead Manager for the Placement with Aurenda Partners as Co-Manager and Roth Capital Partners as US Placement Agent. Bell Potter is also acting as underwriter for the Entitlement Offer.

The Entitlement Offer of 1 for 21 non-renounceable offer of fully paid ordinary shares in Imugene (**New Shares**) (and 1 new option for every 2 New Shares issued with an exercise price of \$0.026 per new option exercisable on or before 30 November 2020) to raise approximately \$2.03 million in addition to the Placement (**Equity Raising**). The Entitlement Offer is fully underwritten by Bell Potter.

The offer price for the Entitlement Offer will be the same as the offer price under the Placement (**Offer Price**).

Under the Entitlement Offer, eligible shareholders will be able to subscribe for 1 new ordinary share in Imugene for every 21 existing shares held at 7.00pm (AEDT) on 29 November 2017 (**Record Date**) at the Offer Price (**Entitlements**).

Imugene will seek to have the options issued under the Equity Raising quoted on ASX.

Imugene intends to use existing cash and the proceeds as follows:

- completion of a HER-Vaxx Phase 1b/2 clinical trial;
- completion of at least two investigator sponsored and/or collaborative studies;
- identifying and developing mimotope candidates;
- securing mimotope intellectual property; and
- provide working capital to meet the Company's operating needs.

The Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their Entitlements will not receive any value for those Entitlements that they do not take up. Shareholders who are not eligible to receive Entitlements will not receive any value for the Entitlements they would have received had they been eligible.

Approximately 485,066,920 ordinary shares in Imugene will be issued as part of the Equity Raising. Shares issued under the Equity Raising will rank equally with existing shares.

Imugene will notify shareholders as to whether they are eligible to participate in the Entitlement Offer. Eligible shareholders will receive a prospectus including a personalised entitlement and acceptance form which will provide further details of how to participate in the Entitlement Offer.

Also, under ASX Listing Rules, Appendix 7A, Imugene will despatch a letter about the Entitlement Offer to each holder of options to subscribe for Imugene shares.

A presentation on the Entitlement Offer has been lodged with ASX today and is able to be downloaded from ASX's website, [www.asx.com.au](http://www.asx.com.au).

### Offer structure

The number of issued Shares at the date of this announcement and the maximum total number of issued Shares following the Equity Raising are as follows:

Event	Number of shares
Existing Shares on issue as at 23 November 2017 (announcement of the Equity Raising)	2,369,738,659
Approximate Shares issued under the Placement	372,222,222
Approximate New Shares to be issued under the Entitlement Offer	112,844,698
Approximate total number of Shares on issue after the Equity Raising	2,854,805,579

### Key dates<sup>1</sup>

Event	Date
Announcement of the Entitlement Offer	23 November 2017
Mailing of the Entitlement Offer details	24 November 2017
Ex date	28 November 2017
Record Date for Entitlement Offer (7.00pm (AEDT))	29 November 2017
Prospectus and Entitlement & Acceptance Form despatched	4 December 2017
Entitlement Offer opens	4 December 2017
Closing date for acceptances under Entitlement Offer (5.00pm (AEDT))	18 December 2017

<sup>1</sup>All dates are indicative only and subject to change. Imugene reserve the right to withdraw or vary the timetable without notice.

Event	Date
New Shares quoted on deferred settlement basis	19 December 2017
Company notifies ASX of under subscriptions	19 December 2017
Allotment of New Shares under the Entitlement Offer	22 December 2017
Despatch of holding statements for New Shares issued under the Entitlement Offer	22 December 2017
Normal ASX trading for New Shares issued under the Entitlement Offer commences	27 December 2017

**For further information, please contact:**

Should you have any queries in relation to the Entitlement Offer, please do not hesitate to contact the share registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) between 8.30am and 5.00pm (AEDT) Monday to Friday during the offer period.

**About Imugene (ASX:IMU)**

Imugene (ASX:IMU) is a clinical stage immuno-oncology company headquartered in Melbourne, Australia. Its lead product is HER-Vaxx, a B Cell peptide vaccine for the treatment of gastric cancer. The company is also developing mimotope-based immunotherapies against validated and new oncology targets.

HER-Vaxx is a cancer immunotherapy designed to treat tumours that over-express the HER-2/neu receptor, such as gastric, breast, ovarian, lung and pancreatic cancers. Developed by leading scientists at the Medical University of Vienna in Austria, the peptide vaccine is constructed from several B cell epitopes of HER-2/neu. It has been shown in pre-clinical studies and in one Phase I study to stimulate a potent polyclonal antibody response to HER-2/neu, a well-known and validated cancer target.

Imugene in partnership with the Medical University of Vienna is working to discover and develop mimotope-based immunotherapies against validated and new oncology targets. This partnership has the potential to create game-changing B Cell peptide vaccines that would replace or augment conventional monoclonal antibody therapies.

Imugene is also building a pipeline of small molecule immuno-oncology drugs. Arginine is a critical amino acid for the health of cancer fighting T-cells and depletion of it limits the effectiveness of T-cells to fight tumours. We are leveraging our core expertise in tumor biology and medicinal chemistry to develop small molecule selective arginine modulators.

For further information please contact:

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**Important information**

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this document have not been, and will not be, registered under the US Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative version of them or comparable terminology. Any forecasts or other forward looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. Imugene does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.