Gilead Pays $100M NASH Related Milestone to Phenex

Melbourne, Australia, 9th January, 2016: In another indication that the Licensing Merger & Acquisitions (LM&A) market for NASH (non-alcoholic steatohepatitis) assets is likely to continue to be very active, Gilead has paid a **$100M** milestone payment to Phenex following its licensing deal of Phenex's Farnesoid X Receptor (FXR) NASH Phase I clinical program in 2015. The terms of the transaction were undisclosed at the time.

Thomas Liquard, CEO of Immuron commented:

> *"This latest NASH milestone payment re-affirms our strong belief that the LM&A market surrounding NASH technologies will remain extremely attractive, and active, for the foreseeable future.*
>
> *As we disclosed previously, while we remain focused on the execution of our fatty-liver disease programs including NASH, ASH and Pediatric NASH, our long-term strategy is to secure a partner at the right time for our fatty-liver program. We believe that this is necessary to extract the full value of IMM-124E's potential in fatty-liver diseases for our shareholders."*

The list of LM&A transactions has grown more frequent and more attractive. As the worldwide prevalence of obesity and diabetes reaches epidemic proportions, the unmet need for treatments continues to grow.

Since 2015, some NASH related transactions have included:

- **2015:** Licensing of Pharmaxis' NASH assets (Phase 1) by **Boehringer ingelheim**. Total potential deal value of ***US$600M***. Undisclosed upfront and milestones;
- **2015**: Licensing of Phenex's NASH programs by **Gilead.** Total potential deal value ***US$470m***. Undisclosed upfront and milestones. ***US$100M*** milestone payment paid to Phenex in January 2017;
- **2016:** Acquisition of Tobira Therapeutics for ***~US$330M*** upfront (8.2x market cap) and up to ***US$1.7B*** in total payments by **Allergan**;
- **2016:** Licensing of Akarna's preclinical NASH asset by **Allergan** for ***~US$50M*** upfront + other undisclosed milestones;
- **2016:** Licensing of Nitto Denko's ND-L02-s0201 by **BMS** for a ***US$100M*** upfront plus additional undisclosed clinical, regulatory and commercial milestone payments;
- **2016**: Licensing of Conatus' Emricasan by **Novartis** for ***US$50M*** upfront, plus undisclosed milestones and other payments;
- **2017:** Collaboration agreement between JNJ and Bird Rock Bio for the development of namacizumab in NASH. JNJ has the exclusive right to acquire the company following the Phase I data readout, for undisclosed terms.

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Immuron is currently running three Phase II clinical trials in fatty-liver diseases with IMM-124E including NASH, ASH (Alcoholic Steatohepatitis) and Pediatric NASH. Both the ASH and Pediatric NASH trials are funded by the US National Institutes of Health (NIH).

IMM-124E works upstream, and on several pathways, to reduce liver inflammation and is thus a completely unique treatment option compared to other leading investigational agents. We believe that the therapeutic potential of this broad and unique mechanism of action is the reason why IMM-124E was selected as the principal investigational agent for the two NIH-funded clinical trials and also why IMM-124E has the potential to be one of the backbone therapies for NASH patients.

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About Immuron:

Immuron Ltd (ASX: IMC; OTCQB: IMROY) is a microbiome company focused on developing and commercialising oral immunotherapeutics for the treatment of a many gut mediated diseases. Immuron has a unique and safe technology platform that enables a shorter development therapeutic cycle. The Company currently markets and sells Travelan® for the prevention of Travellers' diarrhoea, whilst its lead product candidate IMM-124E is in Phase 2b clinical trials for NASH and ASH. These products together with the Company's other preclinical immunotherapy pipeline products targeting immune-related diseases currently under development, will meet a large unmet need in the market.

For more information visit: http://www.immuron.com/

Forward-Looking Statements:

Certain statements made in this release are forward-looking statements and are based on Immuron's current expectations, estimates and projections. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "guidance" and similar expressions are intended to identify forward-looking statements. Although Immuron believes the forward-looking statements are based on reasonable assumptions, they are subject to certain risks and uncertainties, some of which are beyond Immuron's control, including those risks or uncertainties inherent in the process of both developing and commercialising technology. As a result, actual results could materially differ from those expressed or forecasted in the forward-looking statements. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Immuron will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.