

Quarterly Activities and Cash Flow Report Quarter ended 31 March 2019

SYDNEY, Australia, 16 April 2019: Imugene Limited (ASX:IMU), a clinical stage immuno-oncology company, is pleased to announce its Quarterly Cash Flow report (Appendix 4C) for the quarter ended 31 March 2019.

Key Highlights this quarter include:

- First patient dosed in the Phase II HER-Vaxx (anti-HER2) study in March
- Encouraging new data from the Phase 1b trials which supports the B-cell platform cancer vaccine strategy for treating HER-2 positive gastric cancer
- Positive pre-clinical data findings for KEY-Vaxx, Imugene's PD-1 cancer vaccine, provide proof of concept and validation
- Successful Pre-Investigational New Drug (IND) meeting with the US Food and Drug Administration (FDA) provides guidance for KEY-Vaxx immunotherapy clinical development plan
- Strong financial position and well funded to progress its clinical programme

Update on clinical trials

Imugene is showing strong progress in relation to its clinical trials having achieved a number of its milestones this quarter. In March 2019, the company dosed its first patient with its HER-Vaxx (IMU-131) cancer vaccine for the treatment of HER-2 positive gastric cancer patients. This marks an important milestone for the company in advancing its Phase II trials.

Additionally, Imugene presented the Phase 1b study results of its HER-Vaxx cancer vaccine at the American Association for Cancer Research (AACR) meeting in April 2019. Key results presented at the AACR meeting include:

- 11 out of 14 evaluated patients showed clinically meaningful responses
- Those patients that were dosed with 50 micrograms showed marked increases of HER-2 specific antibody levels after vaccination
- 2 of the 3 patients dosed with 50 micrograms demonstrated greater than 40% reduction in tumor size from baseline to day 56 (eight weeks)

- The vaccines were well tolerated and safe with antibody responses at the highest dose of 50 micrograms with no significant local or systemic reactions
- Trial showed clear dose-dependence of HER-2 specific antibody production

Testing of Phase II HER-Vaxx study was initiated in March 2019 and is currently ongoing with further evaluation in the Phase II trial, featuring two arms of either HER-Vaxx plus chemotherapy or chemotherapy alone.

Positive new data findings from the active immunisation studies for KEY-Vaxx, provided proof of concept and validation for the human PD-1 cancer vaccine. Study results showed that the surrogate vaccine derived from mouse PD-1 was able to induce a sustained antibody response to the self protein PD-1.

The FDA meeting was productive and provided Imugene with a clear roadmap for a successful IND submission and subsequent clinical development of KEY-Vaxx.

Additionally, research led by Prof. Wierdermann at the Medical University Vienna successfully inhibited tumor growth in a syngeneic mouse model of HER-2+ breast cancer via both passive and active immunisation strategies with PD-1 targeting B-cell cancer vaccines.

Well funded to progress to the next phase of clinical trials

Imugene currently has a strong balance sheet in place and is well funded to support its commercial and clinical milestones. As at 31 March 2019, Imugene had \$21 million in the bank

As the business continues to navigate Phase II trials, the business will expect to see an increased in expenditures however the management team will continue to manage this effectively.

For further information please contact:

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About Imugene (ASX:IMU)

Imugene is a clinical stage immuno-oncology company developing a range of new and novel immunotherapies that seek to activate the immune system of cancer patients to treat and eradicate tumors. Our unique platform technologies developed at the Medical University Vienna and Ohio State University, seek to harness the body's immune system to generate antibodies against tumours, potentially achieving a similar or greater effect than synthetically manufactured monoclonal antibody therapies. Our product pipeline includes multiple immunotherapy B-cell vaccine candidates aimed at treating a variety of cancers in combination with standard of care drugs and emerging immunotherapies. We are supported by a leading team of international cancer experts with extensive experience in developing new cancer therapies with many approved for sale and marketing for global markets.

Our vision is to help transform and improve the treatment of cancer and the lives of the millions of patients who need effective treatments. This vision is backed by a growing body of clinical evidence and peer-reviewed research. Imugene is well funded and resourced, to deliver on its commercial and clinical milestones. Together with leading specialists, researchers and medical professionals, we believe Imugene's immuno-oncology therapies will become a foundation treatment for cancer. Our goal is to ensure that Imugene and its shareholders are at the forefront of this rapidly growing global market.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Imugene Limited

ABN

99 009 179 551

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(2,511)	(5,632)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	(59)
(d) leased assets	-	-
(e) staff costs	(309)	(1,018)
(f) administration and corporate costs	(405)	(1,421)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	114	313
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	1853
1.8 Other – <i>GST refunded</i>	62	276
1.9 Net cash from / (used in) operating activities	(3,049)	(5,688)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	(46)
	(b) businesses (see item 10)	-	-
	(c) investments	-	(50)
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	20
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(76)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	20,114
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	150
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(1,444)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	18,820

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	24,053	7,822
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,049)	(5,688)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(76)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	18,820
4.5	Effect of movement in exchange rates on cash held	(21)	105
4.6	Cash and cash equivalents at end of quarter	20,983	20,983

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,790	4,956
5.2	Call deposits	19,193	19,097
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	20,983	24,053

6. Payments to directors of the entity and their associates

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

137

-

Salaries, directors' fees and consulting fees at normal commercial rates.
Excludes GST where applicable.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
-	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
-		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	(2,813)
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	(430)
9.6 Administration and corporate costs	(273)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(3,516)

Note: the actual expenditure for the forecast quarter may be different depending on the opportunities, level of activity, priorities and resources available.

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	-	-
10.2	Place of incorporation or registration	-	-
10.3	Consideration for acquisition or disposal	-	-
10.4	Total net assets	-	-
10.5	Nature of business	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 16 April 2019

Company Secretary

Print name: Phillip Hains

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.