

Quarterly Activities and Cash Flow Report Quarter ended 31 March 2020

SYDNEY, Australia, 24 April 2020: 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 2020.

Key Highlights this quarter include:

- **\$33.7m cash balance as at 31 March 2020**
- **Quarterly research and development expenditure was \$ 2.2m**
- **HER-Vaxx U.S. patent was granted in world's largest pharmaceutical market; patent provides method of composition and method of use protection to 2036.**
- **PD1-Vaxx GMP manufacturing including sterile fill and finish has been completed.**
- **PD1-Vaxx preclinical toxicology studies have been completed allowing confirmation of clinical dose levels.**
- **Toxicology studies confirm PD1-Vaxx generates high levels of PD1-targeting antibodies.**
- **New CF33 (Vaxinia) publication from Professor Yuman Fong.**

Cash Flow

The Company continued to monitor expenditure carefully during the period under review, ahead of the clinical trials and associated expenditure, planned for 2020.

Expenditure has been below forecast due to the global COVID-19 pandemic.

Imugene currently has a strong balance sheet in place and is funded to support its commercial and clinical milestones. As at 31 March 2020, Imugene had \$33.7 million in the bank.

As the business continues to progress four clinical programs, the business will expect to see an increase in expenditures however the management team will continue to manage this effectively.

Update on clinical trials

Two clinical trials with oncolytic virotherapy CF33, and one with PD1-Vaxx, the anti PD-1 B cell immunotherapy, continue progress to enter into the clinic in 2020.

HER-Vaxx continues to enroll the open label Phase 2 study and waiting on patients to progress to review the provisional safety data. The Independent Data Monitoring Committee (IDMC) will review this data.

Triple Negative Breast Cancer Publication

Another paper from Imugene's City of Hope colleagues led by Professor Yuman Fong was published in Oncoimmunology titled, "Oncolytic poxvirus CF33-hNIS-ΔF14.5 favorably modulates tumor immune microenvironment and works synergistically with anti-PD-L1 antibody in a triple-negative breast cancer model".

The study, known as Vaxinia, will enter a Phase 1 clinical trial in 2020.

World leading breast cancer specialist at Bart's Cancer Institute in London, Professor Peter Schmid and Imugene's Scientific Advisory Board member, commented on the recent CF33 publication: "Oncolytic viruses have enormous therapeutic potential against cancer. In their important study, Yuman Fong and colleagues demonstrated promising preclinical effects of the novel oncolytic poxvirus CF33-hNIS-ΔF14.5 in triple negative breast cancer, an aggressive subtype of breast cancer with limited targeted treatment options. Fong showed that treatment with CF33-hNIS-ΔF14.5 favourably modulates the tumour immune microenvironment through significant upregulation of PD-L1, a critical determinant of response to cancer immunotherapy, as well as increased tumour infiltration with immune cells. More importantly, combining CF33-hNIS-ΔF14.5 with standard immune checkpoint inhibitors resulted in a significantly improved anti-cancer efficacy, leading to lasting complete tumour regressions in 50% of cases. These results are very encouraging; they demonstrate the potential of CF33-hNIS-ΔF14.5 to make triple negative breast cancers more responsive to cancer immunotherapy" Professor Schmid said.

For further information please contact:

Contact:

Leslie Chong
Managing Director and Chief Executive Officer
T: +61 458 040 433
E: Leslie.Chong@Imugene.com

Follow us on Twitter [@TeamImugene](https://twitter.com/TeamImugene)
Like us on Facebook [@Imugene](https://www.facebook.com/Imugene)
Connect with us on LinkedIn [@Imugene Limited](https://www.linkedin.com/company/Imugene-Limited)

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 seek to harness the body's immune system against tumours, potentially achieving a similar or greater effect than synthetically manufactured monoclonal antibody and other immunotherapies. Our product pipeline includes multiple immunotherapy B-cell vaccine candidates and an oncolytic virotherapy (CF33) 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 and medical professionals, we believe Imugene's immuno-oncology therapies will become foundation treatments for cancer. Our goal is to ensure that Imugene and its shareholders are at the forefront of this rapidly growing global market.

Release authorised by the Managing Director and Chief Executive Officer

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Imugene Limited

ABN

99 009 179 551

Quarter ended ("current quarter")

31 March 2020

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	(2,235)	(9,231)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(379)	(1,376)
(f) administration and corporate costs	(558)	(1,868)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	28	165
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	4,127
1.8 Other (provide details if material) – GST refunded	189	330
1.9 Net cash from / (used in) operating activities	(2,955)	(7,853)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	(69)	(162)
	(c) property, plant and equipment	-	-
	(d) investments	-	(30)
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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	(69)	(192)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	24,590
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	78
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(1,930)
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	-	22,738

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
--------------------------------------	----------------------------	---------------------------------------

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	36,767	19,048
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,955)	(7,853)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(69)	(192)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	22,738
4.5	Effect of movement in exchange rates on cash held	4	6
4.6	Cash and cash equivalents at end of period	33,747	33,747

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	726	30,763
5.2	Call deposits	33,021	6,004
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)	33,747	36,767

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

147

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-

7.5 **Unused financing facilities available at quarter end** -

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(2,955)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	33,747
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	33,747
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	11.4 quarters

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

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.

Date: 24 April 2020

Authorised by: By the board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.