ASX Announcement

Quarterly Activities and Cash Flow Report
Quarter ended 30 June 2020

SYDNEY, Australia, 27 July 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 30 June 2020.

Key highlights this quarter include:

- $30.1m cash balance as at 30 June 2020
- Quarterly research and development expenditure was $3.2m
- Mimotope vaccines targeting immune checkpoint inhibitors published in the prestigious journal "Frontiers in Immunology"
- Independent Data Monitoring Committee (IDMC) confirmed HER-Vaxx safety and recommends study continuation without modification. Patients receiving HER-Vaxx cancer immunotherapy responding positively
- CF33, VAXINIA clinical development plan presented at the American Association for Cancer Research 2020 Annual Meeting
- Presentation of PD1-Vaxx clinical development plan at the American Association for Cancer Research 2020 Annual Meeting
- Post reporting period Imugene received Human Research Ethics Committee (HREC) approvals to commence a Phase I clinical trial of its checkpoint immunotherapy candidate, PD1-Vaxx in Australia.
- IMUOA listed options with an exercise price of $0.026 per option will be expiring on 30th of November, 2020.

Cash Flow

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

Imugene currently has $30.1 million cash and cash equivalents on hand as at 30 June 2020, and is funded to support its commercial and clinical milestones.

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 proactively.

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in items 6.1 of the Appendix 4C include payments for remuneration of director fees to executive and non-executive directors in the normal course of business at commercial rates, excluding reimbursements of out-of-pocket expenses.

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. Post reporting period Imugene received two Human Research Ethics Committee (HREC) approvals to commence a Phase I clinical trial of its checkpoint immunotherapy candidate, PD1-Vaxx in Australia.

HER-Vaxx continues to enrol the open label Phase 2 study and is waiting on patients to progress to review the second interim analysis. The Independent Data Monitoring Committee (IDMC) will review this data.

The listed IMUOA options exercisable at $0.026 per option is currently in the money with IMU shares having closed at $0.053 per share (which is more than double the exercise price) on 23-July, 2020. We want to remind you that the expiry date for the IMUOA option holders is on 30th of November, 2020, being the last date to exercise these options.

All eligible shareholders will receive in the mail an IMUOA option conversion letter in due course. However if you want to convert all or part of your IMUOA options now, please call our Share Registry Automic on 1300 288 664 and provide your name (that the options are listed under), address and your HIN number. You will then be sent your option conversion form.

Mimotope Vaccines

Preclinical research related to Imugene's mimotope vaccines targeting immune checkpoint inhibitors has been accepted and published in the journal "Frontiers in Immunology".

The ground-breaking research from Vienna, conducted under the leadership of Imugene SAB member Professor Dr Ursula Wiedermann with Dr Joshua Tobias as lead author, has identified mimotope peptides that when incorporated into Imugene's proprietary immunotherapeutic vaccine delivery platform, generate antibodies that bind specifically to immune cells expressing the PD1 biomarker. The naturally-produced antibodies block a protective mechanism on cancer cells, and allows the immune system to destroy those cancer cells, as shown in animal models of breast cancer.

American Association for Cancer Research (AACR) 2020

Imugene received acceptances to two abstract presentations originally accepted for the AACR Annual Meeting to be held in San Diego, 24th-29th April prior to the event being rescheduled as a virtual event due to the ongoing COVID-19 pandemic.

The first abstract presentation was entitled "A first-in-human phase 1 ascending, multiple dose, safety and tolerance study of Vaxinia (CF33-hNIS), a novel chimeric oncolytic poxvirus, administered intratumorally or intravenously in adult patients with mixed advanced solid tumors (MAST)". The abstract (number 9888) was presented by Dr Seymour Fein, consultant Medical Director to Imugene Limited, virtually during the clinical session: VPO.CT07.01 Phase I Trials in Progress on Monday, April 27th.

The first-in-human, phase 1, multi-site, dose escalation study of VAXinia (CF33-hNIS), is investigating intratumoural and intravenous administration lines as monotherapy and in combination with immune checkpoint inhibitors in a proposed patient population which includes those with metastatic melanoma, lung, TNBC, bladder, head and neck, gastric, colorectal and renal cell cancers.

The primary objective of the phase 1 trial is to determine safety and a recommended phase 2 dose as monotherapy and in combination with immune checkpoint inhibitors. Efficacy, tolerability and immune response will also be measured.

The second abstract presentation was entitled "IMU-201-101 an open-label, multi-centre, dose escalation/expansion, phase 1 study of IMU-201 (PD1-Vaxx), a B-cell immunotherapy, in adults with non-small cell lung cancer", and was authored by Dr Anthony Good, Professor Pravin Kaumaya at the Ohio State University, Ohio, USA, Professor Tanios Bekaii-Saab at the Mayo Clinic, Arizona, USA and Imugene Limited.

The first-in-human, phase 1, dose escalation study of PD1-Vaxx, is targeting patients with non-small cell lung cancer and will be testing different doses of PD1-Vaxx as monotherapy and in combination with immune checkpoint inhibitors. The primary objective of the phase 1 trial is to determine safety and an optimal biological dose as monotherapy and in combination with immune checkpoint inhibitors. Efficacy, tolerability and immune response will also be measured.

For further information please contact:

Contact:

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

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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 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	**Quarter ended ("current quarter")**
99 009 179 551	30 June 2020

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	
1.2	Payments for		
	(a) research and development	(3,229)	(12,460)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(358)	(1,734)
	(f) administration and corporate costs	(285)	(2,153)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	145	310
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	50	4,177
1.8	Other (provide details if material) – GST refunded	40	370
1.9	**Net cash from / (used in) operating activities**	**(3,637)**	**(11,490)**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	(162)
	(c) property, plant and equipment	-	-
	(d) investments	(1)	(31)
	(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**	**(1)**	**(193)**

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 (12 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	33,747	19,048
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,637)	(11,490)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1)	(193)
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	(2)	4
4.6	**Cash and cash equivalents at end of period**	**30,107**	**30,107**

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	5,106	726
5.2	Call deposits	25,001	33,021
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)**	**30,107**	**33,747**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	153
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

Item 6.1 - Include payments for remuneration of director fees to executive and non-executive directors in the normal course of business at commercial rates, excluding reimbursements of out-of-pocket expenses.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**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)	(3,637)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	30,107
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	30,107
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	8.3 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: Yes

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: No

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: Yes

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: 27 July 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.