

ASX Announcement

ISSUANCE OF MILESTONE SHARES UNDER VAXINIA ACQUISITION

SYDNEY, Australia, 9 July 2021: Imugene Limited (ASX: IMU, **Company** or **Imugene**), refers to its announcement on 2 July 2021 confirming that the City of Hope®, a world-renowned independent cancer research and treatment center near Los Angeles, has received US Food and Drug Administration (**FDA**) Investigational New Drug (**IND**) approval to initiate a Phase I clinical trial of its oncolytic virotherapy candidate, CHECKvacc (CF33-hNIS-antiPDL1) using the CF33 technology acquired from City of Hope in July 2019.

Imugene separately refers to its announcement on 15 July 2019 in relation to its acquisition of 100% of the shares in Vaxinia Pty Ltd (a company of which Imugene's Executive Chairman, Paul Hopper and family, were the majority shareholders) and separate acquisition of the worldwide exclusive license to the CF33 technology from City of Hope.

Pursuant to the terms of the acquisition of Vaxinia, its shareholders, which included inter alia, Mr Hopper and persons and entities related to him, City of Hope's Chair of Surgery and Professor Yuman Fong, the CF33 inventor, are eligible for further shares in Imugene on the achievement of performance-related milestones. Imugene is pleased to advise that, as a result of the IND approval having now been obtained, the first milestone for payment of the deferred share consideration (being 119,354,838 fully paid ordinary shares at \$0.0155 per share (**Milestone 1 Shares**)) has now been satisfied.

The Transaction was subject to a number of customary conditions precedent including shareholder approval pursuant to the notice of extraordinary general meeting (**EGM**) released by the Company on 14 October 2019. Such approvals were obtained at an EGM on 18 November 2019. In addition to approval being obtained under Listing Rule 10.1 for the transaction more broadly, approval was also obtained for the issuance of consideration shares, including deferred consideration shares upon satisfaction of milestones, to:

- 1) the Vaxinia shareholders who are unrelated parties of the Company for the purposes of ASX Listing Rule 7.1 (in respect of 25,183,871 shares); and
- 2) Mr Hopper and persons and entities related to him, being related parties of the Company, for the purposes of ASX Listing Rule 10.11 (in respect of 94,170,967 shares).

Waivers were obtained by ASX to enable the milestone shares to be issued more than 3 months and 1 month (respectively) from the date that shareholder was obtained on 18 November 2019 (as would have otherwise been required under the ASX Listing Rules). However, a condition of ASX's relief was that, among other matters, the Milestone 1 Shares were required to be issued by no later than 30 June 2021.

Unfortunately, due to a convergence of varying time zones, whilst the IND approval was received on 30 June 2021 (Pacific Daylight Time), the share issuance was not able to occur by 30 June 2021 (Australian Eastern Standard Time). The ASX waivers for the issuance of the Milestone 1 Shares have therefore lapsed. Whilst our management team has worked diligently over the past year to obtain the FDA's consent to our IND, factors beyond our control, primarily COVID-19,

worked to delay the extensive effort required to submit an IND. Given the proximity in timing of receipt of the IND approval, the Company has sought further relief from ASX so as to enable the Milestone 1 Shares to be issued in reliance on the original ASX waivers that were obtained by the Company. Unfortunately ASX has determined not to grant such relief.

Accordingly, the Company advises that it has today issued 25,183,871 fully paid ordinary shares to the Vaxinia shareholders who are unrelated parties of the Company. For the reasons outlined above, these shares are being issued using the Company's current placement capacity under ASX Listing Rule 7.1 and the issuance is not being made in reliance on the previous shareholder approval that was obtained at the EGM. Those shares are subject to voluntary escrow for a period of six months.

The Milestone 1 Shares may not be issued to Mr Hopper and persons and entities related to him without further shareholder approval being obtained for the purposes of ASX Listing Rule 10.11. The Company will therefore shortly be convening a further extraordinary general meeting to seek shareholder approval for that issuance. If shareholder approval is obtained and the Milestone 1 Shares are issued, those shares will be subject to voluntary escrow for a period of 12 months.

The CF33 oncolytic virus technology, which was acquired as part of the Vaxinia acquisition, today forms a pillar of Imugene's portfolio and we delighted to have received IND approval.

Additional announcements for the issue of the Milestone 1 Shares will follow including Appendix 3B and 2A.

For more information please contact:

Leslie Chong

Managing Director and Chief Executive Officer

T: +61 458 040 433

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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 such as CAR T's for solid tumors. 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

Imugene Limited, Level 3, 62 Lygon Street, Carlton, VIC, 3053, Australia