



Prospectus

Imugene Limited ACN 009 179 551

SPP

An offer to each Eligible Shareholder to subscribe for up to \$15,000 of New Shares under a Share Purchase Plan (**SPP**) at an issue price of \$0.30 per share (and 1 free attaching New Option for every two New Shares issued exercisable at \$0.45 each on or before 31 August 2024) to raise a maximum of \$5 million.

Placement Options Offer

For the offer of up to 150,000,000 New Options to Placement Subscribers on the basis of 1 New Option for every 2 Shares subscribed for by the Placement Subscribers under the Placement exercisable at \$0.45 each on or before 31 August 2024 (**Placement Options Offer**).

This is an important document that requires your immediate attention. It should be read in its entirety. If, after reading this document, you have any questions about the securities being offered for issue under it or any other matter, you should contact your stockbroker, solicitor, accountant or other professional adviser.

Not for release to US wire services or distribution in the United States except to US institutional investors who participated in the Placement

Lead Manager

 **BELL POTTER**

Legal Adviser

 **McCullough
Robertson**

Table of contents

IMPORTANT NOTICES	1
Letter from the Chairman	3
1 Investment overview	5
2 Business overview	10
3 Details and effect of the Offer	12
4 How to apply	20
5 Financial information	23
6 Risk factors	26
7 Material agreements	26
8 Additional information	35
9 Glossary	43
Corporate directory	46
Annexure	47
New Option terms	47

IMPORTANT NOTICES

General

This Prospectus is dated 29 July 2021. A copy of this Prospectus was lodged with ASIC on that date. Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus or the merits of any investment under this Prospectus. No New Shares or New Options will be allotted or transferred on the basis of this Prospectus after the expiry date. This Prospectus expires on 29 August 2022.

No person may give any information or make a representation about the Offer, which is not in this Prospectus. Information or representations not in this Prospectus must not be relied on as authorised by the Company, or any other person, in connection with the Offer.

This Prospectus provides information for investors to decide if they wish to invest in Imugene. Read this document in its entirety. Examine the assumptions underlying the risk factors that could affect the financial performance of Imugene. Consider these factors carefully in light of your personal financial circumstances. Seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest. The Offer does not take into account the investment objectives, financial situation or needs of particular investors.

Transaction Specific Prospectus

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities and options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers that potential investors may consult.

Risk Factors

Potential investors should be aware that subscribing for New Shares or exercising the New Options involves a number of risks. The key risk factors of which investors should be aware of are set out in Section 6. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the New Shares and New Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Potential investors should consider consulting their professional advisers before deciding whether to apply for New Shares pursuant to this Prospectus.

Foreign selling restrictions

No action has been taken to register or qualify the New Shares, New Options or the Offers in any jurisdiction outside Australia, or otherwise to permit a public offering of the New Shares or New Options outside Australia.

The distribution of this Prospectus in jurisdictions outside Australia or New Zealand may be restricted by law. This Prospectus is not an offer in any place where, or to any person to whom, it would not be lawful to make the offer.

The Prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, the offer or invitation would be unlawful. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should observe any of those restrictions. Any failure to comply with the restrictions may constitute a violation of applicable securities laws.

Each potential investor warrants and represents that they will not offer or sell the New Shares or New Options in the United States or in any other jurisdiction outside Australia or New Zealand, or to a person in the United States except in transactions exempt from, or not subject to, the registration requirements under the US Securities Act 1933 as amended and all other applicable US state securities laws.

ASIC Class Order on Share Purchase Plans

In certain circumstances, a listed company may undertake a share purchase plan in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**Class Order**). This Class Order allows a share purchase plan to be conducted without the use of a prospectus once in any consecutive 12-month period. The Company is unable to rely on the Class Order for the New Options because the New Options to be issued under the SPP are a new class of securities not currently quoted on the ASX. Accordingly, while the Company satisfies the conditions of the Class Order for the offer of the New Shares under the SPP, the Company is undertaking the SPP under this Prospectus. The Company intends to undertake the SPP in accordance with the terms and conditions for share purchase plans expressed in the Class Order.

Forward-looking statements

Statements in this Prospectus may be forward looking statements.

Forward looking statements can be identified by the use of forward looking terminology such as, but not limited to, 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe', or 'continue' or the negative or other variations of comparable terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The Directors' expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis. They are based on, among other sources, the examination of historical operating trends, data in the Company's records and other data available from third parties. There can be no assurance, however, that the Directors' expectations, beliefs or projections will give the results projected in the forward looking statements. Investors should not place undue reliance on these forward looking statements.

Additional risk factors that could cause actual results to differ materially from those indicated in the forward looking statements are set out in Section 6.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including the ASX website at www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and

do not constitute part of the Offers. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company or subscribe for New Securities.

The Company has not authorised any person to give any information or make any representation in connection with an Offer which is not contained in this Prospectus. Any such extraneous information or representation may not be relied upon as having been authorised by the Company in connection with this Prospectus.

Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of applying for Securities under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with applying for Securities under this Prospectus.

Disclaimer of representations

No person is authorised to provide any information or to make any representation in connection with the Offers that is not contained in this Prospectus. Any information or representations not contained in this Prospectus may not be relied upon as having been authorised by the Company, the Lead Manager, any of their respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees and agents in connection with the Offers. None of the Lead Manager, any of their related bodies corporate and affiliates, or any of their respective directors, officers, partners, employees, representatives or agents have authorised or caused the issue of this Prospectus or any action taken by you on the basis of such information. To the maximum extent permitted by law, the Lead Manager, their related bodies corporate and affiliates and each of their directors, officers, partners, employees, representatives or agents exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Offers and this Prospectus being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. None of the Lead Manager, any of its related bodies corporate and affiliates, or any of their respective directors, officers, partners, employees, representatives or agents make any recommendations as to whether you or your related parties should participate in the Offers, nor do they make any representations or warranties to you concerning the Offers or any information, and you represent, warrant and agree that you have not relied on any statements made by the Lead Manager, any of their related bodies corporate and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Shares, New Options or the Offers generally. The Lead Manager may also hold interests in the securities of the Company or earn brokerage, fees or other benefits from the Company. The engagement of the Lead Manager by the Company is not intended to create any agency, fiduciary or other relationship between the Lead Manager or any other investor. Determination of eligibility of investors for the purposes of the Offers is determined by reference to a number of matters, including legal requirements and regulatory requirements, logistical and registry constraints and the discretion of the Company and the Lead Manager. To the maximum extent permitted by law, the Company, the Lead Manager, their respective related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents expressly disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion. To the maximum extent permitted by law, the Lead Manager, their related bodies corporate and affiliates, and their respective directors, officers, partners, employees and agents expressly disclaim all liability in respect of, makes no representation regarding and takes no responsibility for any part of this Prospectus.

Electronic prospectus

This Prospectus is available electronically at <https://www.imugene.com/announcements>. The Application Form attached to the electronic version of this Prospectus must be used within Australia or New Zealand. Electronic versions of this Prospectus should be downloaded and read in their entirety. Obtain a paper copy of the Prospectus (free of charge) by telephoning +61 2 9698 5414 (within Australia) or 1300 288 664 (outside Australia). Applications for New Shares and New Options may only be made on the Application Form attached to this Prospectus or in its paper copy form downloaded in its entirety from <https://www.imugene.com/announcements>.

Exposure period

No exposure period applies to this Prospectus by operation of the Corporations Act (in respect of the New Shares) and the ASIC Corporations (Exposure Period) Instrument 2016/74 (in respect of the New Options).

Defined terms

Capitalised terms used in this Prospectus are defined in the Glossary.

Currency

Monetary amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated.

Photographs and diagrams

Photographs used in this Prospectus without descriptions are only for illustration. The people shown are not endorsing this Prospectus or its contents. Diagrams used in this Prospectus may not be drawn to scale. The assets depicted in photographs in this Prospectus are not assets of the Company unless otherwise stated.

THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ IN ITS ENTIRETY

Letter from the Chairman

29 July 2021

Dear Shareholder

On behalf of the Board, it gives me great pleasure to offer you this opportunity to increase your investment in Imugene through participation in a securities purchase plan (**SPP**).

The SPP allows you to acquire New Shares in the Company at a price of \$0.30 per Share plus free attaching Options (**New Options**). The SPP is being conducted as part of a wider funding exercise to raise up to \$95 million, comprising the \$5 million SPP and a Placement of \$90 million (**Equity Raising**).

The Board intends to use the proceeds of the Equity Raising to fund the Company's existing clinical programmes through to the end of 2025, including various clinical trials such as the OnCarlytic, HER-Vaxx and PD-1-Vaxx clinical trials.

The SPP gives Eligible Shareholders the opportunity to increase their Imugene shareholding without paying brokerage fees or other transaction costs, irrespective of their holding size. Eligible Shareholders can purchase up to \$15,000 worth of New Shares at \$0.30 per Share. The SPP is capped at \$5 million (**SPP Cap**). Any oversubscriptions will be scaled back at the Company's discretion. The SPP is not underwritten.

In addition, for every two (2) New Shares issued under the SPP you will receive one (1) free New Option that will allow you to buy a Share for \$0.45 at any time on or before 31 August 2024.

Also included in this Prospectus is the offer of Options under the Placement Options Offer. Under that offer, the Company invites the Placement Subscribers to apply for Options in accordance with the placement letters entered into in connection with the Placement. The Options are offered on the same basis as under the SPP, being 1 free Option for every 2 Shares subscribed for in the Placement. These Options are exercisable at \$0.45 cents at any time on or before 31 August 2024. Only Placement Subscribers who participated in the Placement may participate in the Placement Options Offer.

All the details pertaining to the SPP and the Placement Options Offer are contained in this Prospectus. Please read this Prospectus carefully before deciding whether or not to invest. An investment in the Company contains specific risks which you should consider before making that decision. A non-exhaustive list of risk factors relevant to an investment in the Company is set out in Section 6. If there is any matter on which you require further information, you should consult your stockbroker, accountant or other professional adviser.

Please read in full the details on how to submit your application, which are set out in this Prospectus. For further information about the Offer, please call the share registry, Automic Registry Service Limited, on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia), or visit the Company's website at www.imugene.com.

On behalf of the Board, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Paul Hopper', with a long horizontal flourish extending to the right.

Paul Hopper
Executive Chairman
Imugene Limited

1 Investment overview

1.1 Summary of Offer details

Key SPP details

Terms of offer	Details
Offer Price per New Share under the SPP	\$0.30
Total number of New Shares offered under the SPP	16,666,666
Total number of New Options offered under the SPP	8,333,333
Total amount to be raised under the SPP (before the exercise of any New Options)	\$5,000,000
Amount to be raised if all available New Options offered under the SPP are issued and exercised	\$8,750,000

Key Placement details

Terms of offer	Details
New Shares to be issued under the Placement (expected to be issued on 4 August 2021)	300,000,000
Total number of New Options offered under the Placement Options Offer (offered under this Prospectus)	150,000,000
Total amount to be raised under the Placement (before the exercise of any New Options issued under the Placement Options Offer)	\$90,000,000
Amount to be raised if all available New Options offered under the Placement Options Offer are issued and exercised	\$157,500,000

1.2 Important dates

Event	Date
Trading halt	Tuesday, 27 July 2021
Record Date for SPP (7.00pm, Sydney time)	Wednesday, 28 July 2021
Prospectus date	Thursday, 29 July 2021
Announcement of Placement and SPP	Thursday, 29 July 2021
Shares resume trading on the ASX	Thursday, 29 July 2021
Allotment of Shares issued under the Placement	Wednesday, 4 August 2021
Dispatch of Prospectus	Wednesday, 4 August 2021
Opening Date of SPP and Placement Options Offer	Wednesday, 4 August 2021
Closing Date for SPP and Placement Options Offer	Wednesday, 18 August 2021

Event	Date
Issue of New Shares and New Options under the SPP	Friday, 20 August 2021
Issue of New Options under the Placement Options Offer	Friday, 20 August 2021
Despatch of Holding Statements for Shares under SPP	Monday, 23 August 2021
Normal ASX trading for New Shares issued under the SPP commences	Monday, 23 August 2021

All dates and times are subject to change and are indicative only. All times are to Sydney time. The Company, with the consent of the Lead Manager, reserves the right to vary these dates and times without notice. Imugene may close the Offer early, withdraw the Offer, or accept late applications. In that event, the relevant Application Money (without interest) will be returned in full to Applicants.

1.3 Purpose of the Equity Raising and use of funds

The purpose of the Equity Raising is to fund the Company's existing clinical programmes through to the end of 2025, including various clinical trials such as the OnCarlytic, HER-Vaxx and PD-1-Vaxx clinical trials, as follows:

Use of proceeds	\$ raised (million)
HER-Vaxx Clinical Trials	\$9 million
PD-1-Vaxx Clinical Trials	\$11 million
CHECKvacc Clinical Trials	\$11 million
Vaxinia Clinical Trials	\$8 million
OnCarlytic Clinical Trials	\$26 million
CMC/CDMO/Manufacturing	\$17 million
Regulatory	\$3 million
Working Capital & Costs	\$10 million
Total funds raised	\$95 million

1.4 Shareholding structure

The following table shows the shareholding structure of Imugene on completion of the Equity Raising (assuming that no Existing Options are exercised and that no additional Securities are issued before completion of the Equity Raising):

Shares

Existing Shares on issue as at 29 July 2021 (announcement of the Equity Raising)	4,990,576,768
Approximate number of Shares to be issued under the Placement	300,000,000
Approximate number of New Shares to be issued under the SPP	16,666,666

Approximate total number of Shares on issue after the Equity Raising (before the exercise of any New Options)	5,307,243,434
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Options

Existing Options on issue as at 29 July 2021 (announcement of the Equity Raising)	524,860,708
Approximate number of Options to be issued under the Placement	150,000,000
Approximate number of Options to be issued under the SPP	8,333,333
Approximate total number of Options on issue after the Equity Raising	683,194,041

1.5 Potential questions and answers

Question	Answer	Section
Who is the issuer of this Prospectus?	Imugene Limited ACN 009 179 551	Not applicable
What is the Offer?	The Offer is collectively made up of the: (a) SPP; and (b) Placement Options Offer.	section 3.1
What is the Placement?	The Placement is an institutional placement offer to Placement Subscribers of up to 300 million New Shares in Imugene at an issue price of \$0.30 per New Share (and 1 New Option for every 2 New Shares issued) to raise approximately \$90 million (before the exercise of any New Options).	section 3.1
What is the SPP?	The SPP is an offer to Eligible Shareholders of up to approximately 16.7 million New Shares at an issue price of \$0.30 per New Share (and 1 New Option for every 2 New Shares issued) to raise up to approximately \$5 million (before the exercise of any New Options).	section 3.1
What is the Offer Price of the New Shares?	The New Shares are being issued at \$0.30 per New Share.	section 3.1
What rights and liabilities attach to the New Shares?	The New Shares will rank equally in all respects with the Shares held by the Existing Shareholders. The rights and liabilities attaching to all Shares are set out in the Company's constitution.	sections 7.2 and 8.4
What rights and liabilities attach to the New Options being offered under the SPP?	The key terms of the New Options include: (a) New Options will be issued on the basis of 1 New Option for every 2 New Shares issued under this Prospectus; (b) no issue price is payable for the New Options as they are to be issued together with any	section 8.5 and Annexure

Question	Answer	Section
	<p>application by an Eligible Shareholder for New Shares;</p> <p>(c) the exercise price of each New Option is \$0.45; and</p> <p>(d) each New Option will have an expiration date that is 31 August 2024.</p> <p>The full details of the rights and liabilities attaching to the New Options are set out in the Annexure.</p>	
<p>What rights and liabilities attach to the New Options being issued under the Placement Options Offer?</p>	<p>The Options being issued under the Placement Options Offer are being made to Placement Subscribers, being sophisticated investors who participated in the Company's Placement in which they are anticipated to be issued with the Shares on or about 4 August 2021.</p> <p>The Options have the same terms as the New Options being offered under the SPP.</p>	
<p>What is the Company's financial position?</p>	<p>The Company's financial position is set out in detail in section 5 of this Prospectus.</p>	<p>section 5</p>
<p>What risks are involved with an investment in the Company?</p>	<p>An investment in Imugene is subject to both general and specific risks which you should consider before making a decision to apply for New Shares or in exercising any New Options.</p> <p>Key specific risks include:</p> <p>(a) Imugene's ability to achieve profitability is dependent on a number of factors, including its ability to complete successful clinical trials, obtain regulatory approval for its products and successfully commercialise those products. There is no guarantee that Imugene's products will be commercially successful;</p> <p>(b) Imugene may be unable to secure necessary approvals from regulatory agencies and institutional bodies (clinics and hospitals) to conduct future clinical trials;</p> <p>(c) the research, development, manufacture, marketing and sale of products using the Company's technology are subject to varying degrees of regulation by a number of government authorities in Australia and overseas;</p> <p>(d) Imugene has not yet commercialised its technology and as yet has no material revenues;</p> <p>(e) Imugene depends on the talent and experience of its personnel as its primary asset. There may be a negative impact on Imugene if any of its key personnel leave;</p>	<p>section 6</p>

Question	Answer	Section
	<p>(f) Imugene may pursue collaborative arrangements with pharmaceutical and life science companies, academic institutions or other partners to complete the development and commercialisation of its products;</p> <p>(g) Imugene may experience delay in achieving a number of critical milestones, including securing commercial partners, completion of clinical trials, obtaining regulatory approvals, manufacturing, product launch and sales; and</p> <p>(h) the biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. A number of companies, both in Australia and abroad, may be pursuing the development of products that target the same markets that Imugene is targeting.</p>	
Is the SPP underwritten?	The SPP is not underwritten.	section 3.8
How do I participate in the SPP?	To participate in the SPP, please complete the Application Form attached to this Prospectus and return it to the Company with payment of the Application Money before Wednesday, 18 August 2021.	section 4 and Application Form
How do I calculate the Application Money payable if I wish to participate in the SPP	The Application Money is calculated by multiplying the number of New Shares you wish to apply for by the Offer Price of \$0.30 per New Share.	section 4 and Application Form
Further questions	If you have questions about the Offer, please contact Automic Registry Service Limited, on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).	section 3.13

1.6 Important notice

This section is not intended to provide full details of the investment opportunity. Read this Prospectus in full to make an informed investment decision. The New Shares and New Options offered under this Prospectus carry no guarantee of return of capital, return on investment, payment of dividends or on the future value of the Shares.

2 Business overview

2.1 Company overview

Imugene is a clinical stage immuno-oncology company developing a range of new treatments that seek to activate the immune system of cancer patients to identify and eradicate tumours.

2.2 Board and management team

Mr Paul Hopper

Executive Chairman

Mr Hopper has over 20 years' experience in the management and funding of biotechnology and healthcare public companies both as chief executive officer and director in Australia and the United States. Mr Hopper's sector experience has covered a number of therapeutic areas with a particular emphasis on immunotherapy and cancer vaccines. He also has extensive capital markets experience in equity and debt raisings in Australia, Asia, Europe, and the United States.

Ms Leslie Chong

Chief Executive Officer and Managing Director

Ms Chong joined the group in September 2015 from the leading oncology clinical development company, Genentech (a member of the Roche family), where she was a Senior Clinical Program Lead at the head office in San Francisco. She has over 21 years' experience in leading clinical and department development in oncology. In November 2016, Ms Chong was promoted as Imugene's CEO and joined the board as Managing Director in March 2018.

Mr Charles Walker

Non-Executive Director

Mr Walker has broad and successful experience across the biotechnology and life sciences industry. His experience includes significant operational and leadership positions in biotechnology firms, a strong capital markets track record from executing nearly 60 international and domestic corporate transactions, both as principal and advisor, and a detailed scientific understanding gained from a technical background in pharmacology. Mr Walker was previously Chief Executive Officer and Chief Financial Officer of Alchemia Limited (ASX: ACL) and Managing Director of Imugene. His qualifications include a Bachelor of Science (Honours) Pharmacology and a Masters in Business Administration (MBA).

Dr Axel Hoos

Non-Executive Director

Dr. Axel Hoos is Senior Vice President, R&D Governance Chair, and Therapeutic Area (TA) Head for Oncology at GlaxoSmithKline Pharmaceuticals (GSK). At GSK he leads technical and funding decisions in R&D as well as Discovery and Development in Oncology with focus on immuno-oncology, epigenetics, cell therapy, and synthetic lethality. Dr. Hoos also serves as Chairman of the Board of Trustees of the Sabin Vaccine Institute (SVI), a global health organisation, Director on the Board of TCR2, a cell therapy company, Co-Founder and Director on the Board of Imugene, a biotechnology company, Co-Director of the Cancer Immunotherapy Consortium (CIC) and Scientific Advisory Board Member of the Cancer Research Institute (CRI). Previously, Dr. Hoos was the Global Medical Lead in Immunology/Oncology at Bristol-Myers Squibb (BMS) where he developed Yervoy (Ipilimumab), the first checkpoint inhibitor in Immuno-Oncology. For the scientific mechanism of Ipilimumab the Nobel prize for Medicine was awarded to Dr. James

Allison in 2018. Before BMS, Dr. Hoos was Senior Director of Clinical Development at Agenus Bio (former Antigenics).

Dr Lesley Russell

Non-Executive Director

Dr Lesley Russell is a haematologist/oncologist and has over 25 years' experience and leadership in the international pharmaceutical field as a chief medical officer. She has undertaken clinical development in a number of therapeutic areas including haematology/oncology and has had multiple new drug approvals with both Food and Drug Administration (FDA) and European Medicines Agency (EMA). Dr Russell has extensive experience as a director of NASDAQ listed pharmaceutical companies. She is a member of the Royal College of Physicians UK.

Dr Jens Eckstein

Non-Executive Director

Dr Jens Eckstein has more than 15 years' venture capital experience in the biopharmaceutical industry and 10 years' operational experience in drug discovery and development. He is a Kauffman Fellow and a mentor for life science entrepreneurs and start-up teams in the area of innovative life science and healthcare information technology companies. Before joining Apollo Ventures, Dr Eckstein served as president of SR One for eight years. He is also co-founder and managing director of Action Potential Venture Capital (APVC). Previously, he was a general partner at TVM Capital.

Mr Phillip Hains

Company Secretary

Mr Phillip Hains is a Chartered Accountant operating a specialist public practice, 'The CFO Solution'. The CFO Solution focuses on providing back office support, financial reporting and compliance systems for listed public companies. A specialist in the public company environment, Mr Hains has served the needs of a number of company boards and their related committees. He has over 25 years' experience in providing businesses with accounting, administration, compliance and general management services. He holds a Master of Business Administration from RMIT and a Public Practice Certificate from the Institute of Chartered Accountants.

3 Details and effect of the Offer

3.1 Overview

On Thursday, 29 July 2021, the Company announced a \$95 million financing package comprising:

- (a) a placement to raise \$90 million before costs by the issue of up to 300 million Shares at \$0.30 per Share plus 150 million free attaching New Options on the basis of 1 New Option for every 2 Shares subscribed for under the Placement; and
- (b) a securities purchase plan to Eligible Shareholders to raise up to a further \$5 million before costs by the issue of approximately 16.7 million Shares at \$0.30 per Share plus approximately 8.3 million free attaching New Options on the basis of 1 New Option for every 2 New Shares subscribed for under the SPP,

(together, the **Equity Raising**).

The New Options attaching to the Shares issued under both the Placement Options Offer and the SPP have an exercise price of \$0.45 and can be exercised at any time on or before 31 August 2024.

3.2 Placement

The Company is conducting the Placement, as follows:

- (a) the Company proposes to issue a total of 300,000,000 Shares under the Placement to Placement Subscribers at a price of \$0.30 per New Share on 4 August 2021 utilising its existing placement capacity; and
- (b) the offer of the 150,000,000 New Options to the Placement Subscribers under the Placement is one of the Offers being made under this Prospectus (**Placement Options Offer**). As disclosed in the Timetable, the New Options are expected to be issued on or around 20 August 2021.

By this Prospectus, the Company invites the Placement Subscribers to apply for New Options under the Placement Options Offer in accordance with the placement letters entered into in connection with the Placement.

Under the Placement Options Offer, the Company offers to Placement Subscribers a total of 150,000,000 free attaching New Options for nil cash consideration. Only Placement Subscribers who participated in the Placement may participate in the Placement Options Offer.

The New Options offered under the Placement Options Offer will be issued on the terms and conditions set out in the Annexure to this Prospectus. All Shares issued on conversion of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

Investors who receive Shares under the Placement will not be entitled to participate in the SPP.

3.3 Details of SPP

(a) Offer details

By this Prospectus, the Company invites Eligible Shareholders to participate in the SPP.

Under the SPP, the Company offers to Eligible Shareholders a total of 16,666,666 New Shares at an issue price of \$0.30 each and a total of 8,333,333 free attaching New Options, to raise \$5 million (before costs and the exercise of any New Options).

The SPP is subject to the terms and conditions set out in this Prospectus. The SPP is being conducted on the same terms as the Placement.

Each Eligible Shareholder is entitled to apply for up to 50,000 New Shares at \$0.30 each, with 1 New Option for every 2 New Shares subscribed, totalling a maximum of \$15,000, regardless of the number of Shares held by that Eligible Shareholder.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Sections 7.2 and 8.4 for further information regarding the rights and liabilities attaching to the Shares.

All of the New Options offered under this Prospectus will be issued on the terms and conditions set out in the Annexure to this Prospectus. All Shares issued on conversion of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

Eligible Shareholders should be aware that an investment in Imugene involves risks. The key risks identified by Imugene are set out in section 6 of this Prospectus.

Eligible Shareholders may apply for New Shares under the SPP, but are not required to do so.

Shareholders will have their interest in Imugene diluted because of the issue of Shares under the Placement. In addition, Eligible Shareholders who do not participate in the SPP will have their percentage shareholding in Imugene further diluted.

(b) Issue price

The price per New Share on offer under the SPP (**Issue Price**) is \$0.30. This is the same issue price as for the Placement. The Offer Price of \$0.30 per New Share represents a discount of approximately:

- (i) 9.1% to the closing price of Shares on Monday, 26 July 2021 (being the last trading day before announcement of the Equity Raising); and
- (ii) 10.0% to the 5 day volume weighted average price of Shares for the period ending on Monday, 26 July 2021 (being the last trading day before announcement of the Equity Raising).

The current Share price can be obtained from the ASX website at www.asx.com.au (ASX code: IMU).

You acknowledge that the market price of New Shares may rise or fall between the date of this SPP and the issue date of the New Shares and New Options under the SPP, and that the effect of this is that the issue price you pay for the New Shares may exceed the market price of Shares on the issue date.

(c) Eligibility to participate

Shareholders who were registered in the Company's register of Shareholders with an Australian or New Zealand address at the Record Date (i.e. 7.00pm (AEST) on 28 July 2021) will be Eligible Shareholders and may participate in the SPP, except in respect of any Shares such registered Shareholder holds on behalf of another person who resides outside of Australia or New Zealand.

Due to foreign securities laws, it is not practical for Shareholders resident in countries other than Australia and New Zealand to be offered the opportunity to participate in the SPP.

(d) **Joint holders**

Shareholders who are joint holders of Shares are taken to be a single registered Shareholder for the purposes of the SPP and the certification in the Application Form by any joint holder is taken to have been given by all joint holders.

A Shareholder who receives more than one invitation to participate in the SPP (e.g. if the Shareholder holds Shares in more than one capacity) may not apply for New Shares:

- (i) with an aggregate value of more than \$15,000; or
- (ii) which would result in the aggregate value of the New Shares applied for (including through a Custodian (see Section 3.3(e) below)) under the SPP and any similar arrangement in the last 12 months being more than \$15,000.

(e) **Custodians**

An Eligible Shareholder who holds Shares as Custodian for one or more persons on the Record Date (**Beneficiaries**) may apply for up to the maximum number of New Securities for each Beneficiary for whom the Custodian holds Shares.

Custodians should request a Custodian Certificate when making an Application on behalf of Participating Beneficiaries. To request a Custodian Certificate please contact Automic Registry Service Limited on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

For further information on how to apply, contact the Share Registry via the SPP Information Line on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) between 8:30am and 5:00pm (AEST), Monday to Friday during the Offer Period.

(f) **Allocation and scale back**

In the event that Applications for New Securities under the SPP exceed the total amount of the New Securities offered under the plan, then Applications will be scaled back. Any subscriptions will be scaled back in accordance with the Company's discretion.

The Company cannot guarantee that all Eligible Shareholders to the SPP will receive the number of New Securities applied for. If an Eligible Shareholder does not receive any or all of the New Securities applied for, the excess Application Monies will be returned to the Eligible Shareholder without interest.

3.4 Timetable

Each of the Offers will open on 4 August 2021. The SPP and Placement Options Offer will close at 5:00pm (AEST) on 18 August 2021.

The indicative timetable for the Offers is set out in the Timetable.

The Directors reserve the right to extend the Offer Period in relation to one or more of the Offers, or to close an Offer prior to its Closing Date, subject to the requirements of the Corporations Act and the Listing Rules.

The Directors may withdraw this Prospectus or an Offer at any time prior to the issue of New Securities pursuant to that Offer.

3.5 Minimum subscriptions

The SPP has a minimum subscription of \$1,000 per Eligible Shareholder. There is no minimum subscription under the Placement Options Offer.

3.6 AXS quotation

Application for Official Quotation of the New Shares offered pursuant to this Prospectus will be made in accordance with the Timetable. If ASX does not grant Official Quotation of the New Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by ASIC), the Company will not issue any and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The Company will also seek Official Quotation of the New Options offered pursuant to this Prospectus. If ASX does not grant Official Quotation of the New Option, then they shall not be quoted.

The fact that ASX may grant Official Quotation to the New Shares and New Options is not to be taken in any way as an indication of the merits of the Company or the New Shares or New Options now offered.

3.7 Effect of Equity Raising on control of the Company

The issue of the New Shares and New Options under this Prospectus is not expected to have any material effect on the control of the Company.

3.8 Underwriting

This SPP is not underwritten.

3.9 Financial position

The effect of the Equity Raising on the financial position of the Company is set out in section 5.

3.10 Taxation considerations

The taxation consequences of an investment in the Company depend upon your particular circumstances. You should make your own enquiries about the taxation consequences of an investment in the Company. If you are in doubt about the course you should follow, you should consult your accountant, stockbroker, solicitor or other professional adviser.

3.11 Foreign selling restrictions

No action has been taken to register or qualify the New Shares, New Options, or the shares underlying the New Options in any jurisdiction outside Australia, or otherwise to permit a public offering of the New Shares or New Options outside Australia.

The Prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, the SPP or Placement Options Offer would be unlawful. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of those restrictions. Any failure to comply with the restrictions may constitute a violation of applicable securities laws.

SPP

With respect to the SPP, this Prospectus may only be distributed to shareholders resident in Australia and New Zealand.

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of the New Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This Prospectus is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Placement Options Offer

This Prospectus may be distributed outside Australia and New Zealand only to institutional and professional investors who participated in the Placement and only with respect to the Placement Options Offer, as contemplated below.

Hong Kong

WARNING: This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this Prospectus or to permit the distribution of this Prospectus or any documents issued in connection with it. Accordingly, the New Options have not been and will not be offered or sold in Hong Kong other than to 'professional investors' (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Options has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Options that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Options may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice

New Zealand

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand) (the **FMC Act**). The New Options are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;

- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

United Kingdom

Neither this Prospectus nor any other document relating to the Placement Options Offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the *Financial Services and Markets Act 2000*, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Options.

The New Options may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to 'qualified investors' within the meaning of Article 2(e) of the UK Prospectus Regulation. This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Options has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons:

- (a) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the *Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (FPO)*;
- (b) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO; or
- (c) to whom it may otherwise be lawfully communicated (together **relevant persons**). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

United States

The New Options and the underlying shares have not been, and will not be, registered under the *US Securities Act of 1933* or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Options may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Options and underlying shares will only be offered and sold in the United States to:

- 'qualified institutional buyers' (as defined in Rule 144A under the US Securities Act); and
- dealers or other professional fiduciaries organised or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment

discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act (**Eligible US Fund Managers**).

Applicant's representations

Each Applicant warrants and represents that:

- (a) if you are participating in the SPP, you are an Australian or New Zealand citizen or resident in Australia or New Zealand;
- (b) if you are participating in the SPP, you are located in Australia or New Zealand at the time of the application and are not acting for the account or benefit of any person in the United States or any other foreign person;
- (c) acknowledge and agree that if in the future you decide to sell or otherwise transfer the ordinary shares of the Company, you will only do so in standard brokered transactions on the ASX, where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or the purchaser is, a person in the United States;
- (d) agree that you will not send this Prospectus or any other materials relating to the SPP or the Placement Options Offer to any person in the United States or elsewhere outside Australia and New Zealand; and
- (e) if, in connection with the SPP, you are acting as a trustee, nominee or custodian, each beneficial holder on whose behalf they are participating is:
 - (i) resident in Australia or New Zealand; and
 - (ii) not in the United States;
- (f) if the Applicant is in Hong Kong and participated in the Placement, it (and any person for whom it is acting) is a 'professional investor' as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong;
- (g) if the Applicant is in New Zealand and participated in the Placement, it (and any person for whom it is acting) is a person who:
 - (i) is an investment business within the meaning of clause 37 of Schedule 1 of the *Financial Markets Conduct Act 2013* (New Zealand) (the **FMC Act**);
 - (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
 - (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
 - (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
 - (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act (and, if an eligible investor, have provided the necessary certification);
- (h) if the Applicant is in the United Kingdom and participated in the Placement, it (and any person for whom it is acting) is:

- (i) a 'qualified investor' within the meaning of Article 2(e) of the UK Prospectus Regulation; and
 - (ii) within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the *UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005*, as amended; and
- (i) if the Applicant is in the United States and participated in the Placement, it (and any person for whom it is acting) is a 'qualified institutional buyer' (**QIB**), as such term is defined in Rule 144A under the *US Securities Act of 1933* (the **US Securities Act**) or an Eligible US Fund Managers.

3.12 Withdrawal

The Company reserves the right to withdraw the Offers, at any time before the allotment of New Shares and New Options. If an Offer does not proceed, the Application Money for that Offer is refunded. No interest is paid on any Application Money refunded because of the withdrawal of an Offer.

3.13 Enquiries

If you have questions about the Offer, please contact Automic Registry Service Limited on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

4 How to apply

4.1 SPP

(a) Making an application

An Eligible Shareholder that would like to participate in the SPP can do so by completing and lodging the Application Form which accompanies this Prospectus. Applications for New Securities under the SPP may be made with respect to any one of the following amounts:

	SPP Application Amount	Number of Shares which may be purchased	Number of free New Options
Offer A	\$15,000	50,000	25,000
Offer B	\$12,500	41,666	20,833
Offer C	\$10,000	33,333	16,666
Offer D	\$7,500	25,000	12,500
Offer E	\$3,000	10,000	5,000
Offer F	\$1,000	3,333	1,666

If an Application Form is not completed correctly or if the accompanying payment is for an incorrect amount, it may be treated by the Company as valid at its discretion. The exact amount of required Application Monies are not tendered with an Application Form, the Company reserves the right to either:

- (i) return the Application Form and/or Application Monies received and not issue any New Securities to the Applicant; or
- (ii) issue to the Applicant the maximum number of New Securities represented by the Application Monies received and refund any excess amount to that Applicant by cheque or electronic funds transfer as soon as possible, without interest.

Eligible Shareholders that have not received their Prospectus and personalised Application Form, or require a replacement via post or email, should contact the Share Registry using the contact details set out in the Corporate Directory Section of this Prospectus above.

The Company reserves the right to accept a lesser amount to the total number of New Securities applied for by an Eligible Shareholder on the Application Form (including if the SPP closes oversubscribed), at the Company's complete discretion.

(b) Payment using BPAY®

Eligible Shareholders who wish to submit an Application and make payment using BPAY® under the SPP should follow the instructions on the Application Form which includes the 'Biller Code' and the Applicant's individual 'Customer Reference Number'.

Shareholders who have elected to receive their Shareholder communications via email should follow the instructions outlined in their email invitation. The email invitation is expected to be sent on 4 August 2021.

Eligible Shareholders can only make payment using BPAY® with respect to the SPP, and if they have an account with an Australian financial institution that supports such transactions. Eligible

Shareholders must ensure to use the specific 'Biller Code' and 'Customer Reference Number' on their individual Application Form or as outlined at the final confirmation page of the online application process. An Application may not be accepted if these details are incorrect. The 'Customer Reference Number' is used to identify each Eligible Shareholder's holding.

Eligible Shareholders with more than one holding of Shares may receive multiple 'Customer Reference Numbers'. Such Eligible Shareholders can apply under one or more of their holdings, provided that they do not apply for more than \$15,000 worth of New Shares in total for all holdings.

Payments must be made in Australian dollars for an amount equal to the number of New Shares for which the Eligible Shareholder wishes to apply, multiplied by the Offer Price (\$0.30).

If an Applicant makes a payment using BPAY®, an Application Form does not need to be submitted to the Company. However, by paying Application Monies by BPAY®, the Eligible Shareholder will be taken to have made the declarations on the Application Form.

BPAY® payments of Application Monies must be received before 5:00pm (AEST) on the Closing Date.

Eligible Shareholders should take into account when making an Application that their individual financial institutions may implement earlier cut-off times for BPAY® payments. It is an Eligible Shareholder's responsibility to ensure that the Application Monies are received by the Company before the Closing Date.

Where the amount applied for results in a fraction of a New Option or New Shares, the number of New Options or New Shares issued will be rounded down to the nearest whole New Option or New Shares.

(c) Payment by Electronic Funds Transfer

If payment is made by EFT, please follow the instructions on the Application Form. Please note that should you choose to pay by EFT:

(a) you do not need to submit the Application Form but are taken to have made the declarations on that Application Form; and

(b) if you have multiple holdings you will have multiple EFT unique reference numbers. To ensure that you receive your Share Application in respect of each holding, you must use the unique reference number shown on each personalised Application Form when paying for any Shares that you wish to apply for in respect of that holding. Payments in excess of the amount payable for one holding will not be treated as payment for another holding, and the excess will be refunded to the Applicant without interest. Eligible Shareholders with more than one holding of Shares may receive multiple 'Customer Reference Numbers'. Such Eligible Shareholders can apply under one or more of their holdings, provided that they do not apply for more than \$30,000 worth of New Shares in total for all holdings.

Eligible Shareholders with more than one holding of Shares may receive multiple 'Customer Reference Numbers'. Such Eligible Shareholders can apply under one or more of their holdings, provided that they do not apply for more than \$15,000 worth of New Shares in total for all holdings.

4.2 Placement Options Offer

Applications for New Options under the Placement Options Offer may only be submitted by the Placement Subscribers (or their nominees).

The Lead Manager has separately advised the Placement Subscribers of the Application procedures for the Placement Options Offer.

4.3 Lodgement instructions and effect of making an Application

Applications for New Securities must be submitted on an Application Form attached to or accompanying this Prospectus (other than if the Applicant makes a BPAY® payment – refer to Section 4.1(b)). An Application Form must be completed in accordance with the instructions provided with that Application Form.

An original, completed and lodged Application Form constitutes a binding and irrevocable offer to subscribe for the number of New Securities specified in that Application Form. An Application Form does not need to be signed to be valid. Once an Application has been made, it cannot be revoked.

If an Application Form is not completed correctly, it may be treated by the Company as valid at its discretion. The Directors' decision as to whether to treat such an Application as valid and how to construe, amend or complete a form is final. However, in relation to the SPP an Applicant will not be treated as having applied for more New Securities than is indicated by the amount of Application Money.

Brokerage or transfer/stamp duty is not payable in relation to the Offer.

The Company reserves the right to refuse a completed Application Form if it has reason to believe that an Applicant has not received a copy of this Prospectus in paper or electronic form, or the Prospectus or Application Form provided to the Applicant has been altered or tampered with in any way.

If a person makes an Application, that person:

- (a) irrevocably and unconditionally agrees to the terms of the relevant Offer set out in this Prospectus;
- (b) acknowledges that their Application is irrevocable and unconditional;
- (c) if the Application has been made under the SPP, agrees to pay the Offer Price for each New Share which they have applied for, subject to any scale back (refer to Sections 3.3(f)); and
- (d) if the Application has been made under the SPP, warrants and represents to the Company that they are an Eligible Shareholder entitled to participate in the SPP.

4.4 Application Money to be held on trust

Application Money will be held by the Company on trust in accordance with the requirements of the Corporations Act until the Securities to which the Application Money pertains are issued under the SPP, or a refund of Application Money occurs in the circumstances described in this Prospectus. The Company will retain any interest earned on Application Money, including in the event of any refund of Application Money.

5 Financial information

5.1 Historical and pro forma consolidated balance sheet as at 31 December 2020

This section contains a summary of the historical financial information for Imugene as at 31 December 2020 (**Historical Financial Information**) and a pro-forma historical statement of the financial position as at 31 December 2020 (**Pro Forma Historical Financial Information**) (collectively, **Financial Information**). The Financial Information has been prepared to illustrate the effect of the Equity Raising.

	31 Dec 2020 Historical (reviewed)	Placement and SPP*	31 Dec 2020 Pro forma Historical
	\$	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	32,832,479	89,039,000	121,871,479
Trade and other receivables	3,646,131	-	3,646,131
Other current assets	688,971	-	688,971
TOTAL CURRENT ASSETS	37,147,581	89,039,000	126,186,581
NON-CURRENT ASSETS			
Financial assets at amortised cost	80,000	-	80,000
Property, plant and equipment	116,782	-	116,782
Intangible assets	30,458,449	-	30,458,449
Other assets	15,593	-	15,593
TOTAL NON-CURRENT ASSETS	30,670,824	-	30,670,824
TOTAL ASSETS	67,818,405	89,039,000	156,857,405
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	1,906,841	-	1,906,841
Other financial liabilities	1,614,222	-	1,614,222
Employee benefit obligations	205,477	-	205,477
Other current liabilities	40,467	-	40,467
TOTAL CURRENT LIABILITIES	3,767,007	-	3,767,007
NON-CURRENT LIABILITIES			
Other financial liabilities	985,450	-	985,450
Employee benefit obligations	2,891	-	2,891
TOTAL NON-CURRENT LIABILITIES	988,341	-	988,341
TOTAL LIABILITIES	4,755,348	-	4,755,348

NET ASSETS	63,063,057	89,039,000	152,102,057
EQUITY			
Share capital	101,497,239	89,039,000	190,536,239
Other equity	12,097,336	-	12,097,336
Other reserves	2,727,798	-	2,727,798
Accumulated losses	(53,259,316)	-	(53,259,316)
TOTAL EQUITY	63,063,057	89,039,000	152,102,057

* The Placement and SPP raise have been combined in the Pro Forma Balance Sheet.

** After 31 December 2020 the following material transactions have occurred which have been listed below: (not reflected in the above table):

- CD19 asset acquisition as per the following ASX Announcement dated 18 May 2021. The asset has an estimated valuation of \$6 to \$6.5 million.
- Exercise of Options including IMUOB and OC valuing approximately \$10 million since 31 December 2020.

At the time of this prospectus, the above numbers are unaudited and have not been captured in the pro forma balance above.

5.2 Basis of preparation of financial information

The stated basis of preparation for the Historical Financial Information is in accordance with the recognition and measurement principles of the Australian Accounting Standards.

The stated basis of preparation for the Pro Forma Historical Financial Information is in a manner consistent with the recognition and measurement principles of the Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in this section of the Prospectus, as if those events or transactions had occurred as at 31 December 2020.

5.3 Pro-forma adjustments to consolidated balance sheet

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information and has been prepared on the basis that the following significant transactions occurred as at 31 December 2020:

Material transactions since 31 December 2020:

- (a) *The issue of 316,666,666 New Shares under the Offer, expected to raise gross proceeds of \$95,000,000 less estimated offer costs of \$5,961,000*

Due to the nature of the pro forma adjustments, they do not represent the actual or prospective financial position of Imugene.

5.4 Pro forma cash flow statement as at 30 June 2021

The Company's pro forma historical cash position at 30 June 2021 (as per the lodged Appendix 4C) adjusted for the Equity Raising is derived from actual cash as follows:

	\$'000
Cash as at 30 June 2021	29,457
Placement and SPP gross proceeds	95,000
Expenses of the Placement and SPP	(5,961)
Pro forma historical cash balance	<u>118,591</u>

6 Risk factors

6.1 Factors influencing success and risk

Introduction

This section identifies the major risks the Board believes are associated with an investment in Imugene.

The Imugene business is subject to risk factors, both specific to its business activities, and risks of a general nature. Individually, or in combination, these might affect the future operating performance of Imugene and the value of an investment in the Company. There can be no guarantee that Imugene will achieve its stated objectives or that any forward looking statements will eventuate. An investment in the Company should be considered in light of relevant risks, both general and specific. Each of the risks set out below could, if it eventuates, have a material adverse impact on Imugene's operating performance and profits, and the market price of the Shares.

Before deciding to invest in the Company, potential investors should:

- (a) read the entire Prospectus;
- (b) consider the assumptions underlying the risk factors that could affect the financial performance of Imugene;
- (c) review these factors in light of their personal circumstances; and
- (d) seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

6.2 Specific investment risks

Products in development and not approved for commercial sale

Imugene's ability to achieve profitability is dependent on a number of factors, including its ability to complete successful clinical trials, obtain regulatory approval for its products and successfully commercialise those products. There is no guarantee that Imugene's products will be commercially successful.

Imugene does not currently generate revenue from product sales and any such revenue is not anticipated in the short to medium term.

There are many reasons why initially promising products fail to be successfully commercialised. For example, clinical trials may be suspended for safety or efficacy reasons (see further below), following development it may prove difficult or impossible to manufacture the products on a large scale, or, during the period of development, competitors (including those with greater resources) may emerge with competing or alternative treatments.

Clinical trial risk

The Company may be unable to secure necessary approvals from regulatory agencies and institutional bodies (clinics and hospitals) to conduct future clinical trials. There is also no assurance that products developed using the Company's technology will prove to be safe and efficacious in clinical trials, or that the regulatory approval to manufacture and market its products will be received. Clinical trials might also potentially expose the Company to product

liability claims in the event its products in development have unexpected effects on clinical subjects.

Clinical trials undertaken by the Company have many associated risks which may impact the Company's profitability and future productions and commercial potential. They may prove unsuccessful or non efficacious, impracticable or costly. The clinical trials could be terminated which will likely have a significant adverse affect on the Company, the value of its securities and the future commercial development of its portfolio and platform technology, or any other technology in the pipeline.

Regulatory and reimbursement approvals

The research, development, manufacture, marketing and sale of products using the Company's technology are subject to varying degrees of regulation by a number of government authorities in Australia and overseas.

Products developed using the Company's technology must undergo a comprehensive and highly regulated development and review process before receiving approval for marketing. The process includes the provision of clinical data relating to the quality, safety and efficacy of the products for their proposed use.

Products may also be submitted for reimbursement approval. The availability and timing of that reimbursement approval may have an impact upon the uptake and profitability of products in some jurisdictions.

Furthermore, any of the products utilising the Company's technology may be shown to be unsafe, non-efficacious, difficult or impossible to manufacture on a large scale, uneconomical to market, compete with superior products marketed by third parties or not be as attractive as alternative treatments.

Commercialisation of products and potential market failure

The Company has not yet commercialised its technology and as yet has no material revenues.

The Company is also dependent on commercially attractive markets remaining available to it during the commercialisation phase and there is a risk that, once developed and ready for sale, commercial sales, to fund sufficient revenues for continued operations and growth, may not be achieved.

Dependence upon key personnel

Imugene depends on the talent and experience of its personnel as its primary asset. There may be a negative impact on Imugene if any of its key personnel leave. It may be difficult to replace them, or to do so in a timely manner or at comparable expense. Additionally, any key personnel of the Company who leave to work for a competitor may adversely impact the Company. Increases in recruitment, wages and contractor costs may adversely impact upon the financial performance of the Company.

Arrangements with third-party collaborators

Imugene may pursue collaborative arrangements with pharmaceutical and life science companies, academic institutions or other partners to complete the development and commercialisation of its products. These collaborators may be asked to assist with funding or performing clinical trials, manufacturing, regulatory approvals or product marketing. There is no assurance that Imugene will attract and retain appropriate strategic partners or that any such collaborators will perform and meet commercialisation goals. If Imugene is unable to find a

partner, it would be required to develop and commercialise potential products at its own expense. This may place significant demands on the Company's internal resources and potentially delay the commercialisation of its products.

Risk of delay and continuity of operations

Imugene may experience delay in achieving a number of critical milestones, including securing commercial partners, completion of clinical trials, obtaining regulatory approvals, manufacturing, product launch and sales. Any material delays may impact adversely upon the Company, including the timing of any revenues under milestone or sales payments.

Imugene may also experience business continuity problems arising from extreme events. As with most businesses, Imugene is reliant on IT systems in its day-to-day operations. An inability to operate such systems would impact the business. This might result, for example, from a computer virus or other cyber attack or from a physical event at its offices.

Competition

The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. A number of companies, both in Australia and abroad, may be pursuing the development of products that target the same markets that Imugene is targeting.

The Company's products may compete with existing alternative treatments that are already available to customers. In addition, a number of companies, both in Australia and abroad, may be pursuing the development of products that target the same conditions that the Company is targeting. Some of these companies may have, or develop, technologies superior to the Company's own technology. The Company may face competition from parties who have substantially greater resources than the Company.

Requirement to raise additional funds

The Company may be required to raise additional equity or debt capital in the future. There is no assurance that it will be able to raise that capital when it is required or, even if available, the terms may be unsatisfactory. If the Company is unsuccessful in obtaining funds when they are required, the Company may need to delay or scale down its operations.

Growth

There is a risk that the Company may be unable to manage its future growth successfully. The ability to hire and retain skilled personnel as outlined above may be a significant obstacle to growth.

Intellectual property

The Company's ability to leverage its innovation and expertise depends upon its ability to protect its intellectual property and any improvements to it. The intellectual property may not be capable of being legally protected, it may be the subject of unauthorised disclosure or be unlawfully infringed, or the Company may incur substantial costs in asserting or defending its intellectual property rights.

6.3 General investment risks

Investment risks

The price of the Shares might rise or fall and they might trade at prices below or above the Offer Price. There can also be no assurance that an active trading market will exist for the Shares.

Factors affecting the price at which Imugene Shares are traded on ASX could include domestic and international economic conditions. In addition, the prices of a listed entity's securities are affected by factors that might be unrelated to its operating performance, such as general market sentiment.

Quotation of options

Depending on the level of participation in the Offer, there is a risk that required conditions for the quotation of the New Options may not be satisfied. In which case, the New Options will be issued but will remain unquoted.

Macro economic risks

Imugene's operating and financial performance is influenced by a variety of general economic and business conditions including the level of inflation, interest rates and government fiscal, monetary and regulatory policies. Prolonged deterioration in general economic conditions, including an increase in interest rates, could be expected to have a corresponding adverse impact on the Company's operating and financial performance.

Taxation risks

Changes to the rate of taxes imposed on Imugene (including in overseas jurisdictions in which Imugene operates now or in the future) or tax legislation generally may affect Imugene and its Shareholders. In addition, an interpretation of Australian tax laws by the Australian Taxation Office that differs to Imugene's interpretation may lead to an increase in Imugene's tax liabilities and a reduction in Shareholder returns.

Personal tax liabilities are the responsibility of each individual investor. Imugene is not responsible either for tax or tax penalties incurred by investors.

Accounting standards

Australian accounting standards are set by the Australian Accounting Standards Board (**AASB**) and are outside the Directors' and Imugene's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in Imugene's financial statements.

Litigation

There is a risk that the Company may in future be the subject of or required to commence litigation. There is, however, no litigation, mediation, conciliation or administrative proceeding taking place, pending or threatened against the Company.

6.4 Cautionary statement

Statements in this Prospectus may be forward looking statements.

Forward looking statements can be identified by the use of forward looking terminology such as, but not limited to, 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe', or 'continue'

or the negative or other variations of comparable terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The Directors' expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis. They are based on, among other sources, the examination of historical operating trends, data in the Company's records and other data available from third parties. There can be no assurance, however, that the Directors' expectations, beliefs or projections will give the results projected in the forward looking statements. Investors should not place undue reliance on these forward looking statements.

Additional factors that could cause actual results to differ materially from those indicated in the forward looking statements are discussed earlier in this section.

7 Material agreements

7.1 Key documents

The Board considers that certain agreements relating to Imugene are significant to the Offer, the operations of Imugene or may be relevant to investors. A description of material agreements or arrangements, together with a summary of the more important details of each of these agreements is set out below.

7.2 Constitution

The following is a summary of the major provisions of the Company's constitution:

Shares

The Directors are entitled to issue and cancel Shares in the capital of Imugene, grant Options over unissued shares and settle the manner in which fractions of a Share are to be dealt with. The Directors may decide the persons to whom, and the terms on which, Shares are issued or Options are granted as well as the rights and restrictions that attach to those Shares or Options.

The Constitution also permits the issue of preference shares on terms determined by the Directors.

Imugene may also sell a Share that is part of an unmarketable parcel of shares under the procedure set out in the constitution.

Variation of class rights

The rights attached to any class of Shares may, unless their terms of issue state otherwise, only be varied with the consent in writing of members holding at least three-quarters of the Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of Shares of that class.

Restricted securities

If the ASX classifies any of Imugene's share capital as restricted securities, then the restricted securities must not be disposed of during the escrow period and Imugene must refuse to acknowledge a disposal of the restricted securities during the escrow period, except as permitted under the Listing Rules or by the ASX.

Share certificates

Subject to the requirements of the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules, Imugene need not issue share certificates if the Directors so decide.

Calls

The Directors may, from time to time, call upon Shareholders for unpaid monies on their shares. The Directors must give Shareholders notice of a call at least 10 business days before the amount called is due, specifying the time and place of payment. If a call is made, Shareholders are liable to pay the amount of each call by the time and at the place specified.

A call is taken to have been made when a Directors' resolution passing the call is made or on any later date fixed by the Board. A call may be revoked or postponed at the discretion of the Directors.

Forfeiture and lien

Imugene may forfeit Shares to cover any call, or other amount payable in respect of Shares, which remains unpaid following any notice to that effect sent to a Shareholder. Forfeited Shares become the property of Imugene and the Directors may sell, reissue or otherwise dispose of the Shares as they think fit.

A person whose Shares have been forfeited may still be required to pay Imugene all calls and other amounts owing in respect of the forfeited Shares (including interest) if the Directors so determine.

Imugene has a first and paramount lien for unpaid calls, instalments and related interest and any amount it is legally required to pay in relation to a Shareholder's Shares. The lien extends to all distributions relating to the Shares, including dividends.

Imugene's lien over Shares will be released if it registers a transfer of the Shares without giving the transferee notice of its claim.

Share transfers

Shares may be transferred by any method permitted by the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules or by a written transfer in any usual form or in any other form approved by the Directors. The Directors may refuse to register a transfer of Shares where it is not in registrable form, Imugene has a lien over any of the Shares to be transferred or where it is permitted to do so by the Listing Rules or the ASX Settlement Operating Rules.

General meetings

Each Shareholder, Director and auditor is entitled to receive notice of and attend any general meeting of Imugene. Two Shareholders must be present to constitute a quorum for a general meeting and no business may be transacted at any meeting except the election of a chair and the adjournment of the meeting, unless a quorum is present when the meeting proceeds to business.

Voting rights

Subject to any rights or restrictions attached to any Shares or class of shares, on a show of hands each Shareholder present has one vote and, on a poll, one vote for each fully paid Share held, and for each partly paid Share, a fraction of a vote equivalent to the proportion to which the Share has been paid up. Voting may be in person or by proxy, attorney or representative.

Remuneration of Directors

Each Director is entitled to remuneration from Imugene for his or her services as decided by the Directors but the total amount provided to all Directors for their services as Directors must not exceed in aggregate in any financial year the amount fixed by Imugene in general meeting. The remuneration of a Director (who is not the managing Director or an executive Director) must not include a commission on, or a percentage of, profits or operating revenue.

Remuneration may be provided in the manner that the Directors decide. There is also provision for Directors to be paid additional remuneration (as resolved by the Directors) or provide benefits if they perform extra or special services, including being a member on a committee of Directors or the chairman of Directors or deputy chairman of Directors.

Directors are also entitled to be paid all travelling and other expenses they incur in attending to Imugene's affairs, including attending and returning from general meetings or Board meetings, or meetings of any committee engaged in Imugene's business.

Interests of Directors

A Director who has a material personal interest in a matter that is being considered by the Board must not be present at a meeting while the matter is being considered nor vote on the matter, unless the Corporations Act allows otherwise (however the Director may, subject to the Corporations Act, be counted in a quorum for, and vote at, a meeting of Directors considering the contract or arrangement).

Election and retirement of Directors

There must be a minimum of three Directors and a maximum of ten Directors unless Imugene in general meeting resolves otherwise.

Where required by the Corporations Act or Listing Rules, Imugene must hold an election of directors each year. No Director, other than the managing director, may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected. A Director appointed to fill a casual vacancy, who is not a managing Director, holds office until the conclusion of the next annual general meeting following his or her appointment. If there would otherwise not be a vacancy, and no Director is required to retire, then the director who has been longest in office since last being elected must retire.

If a number of Directors were elected on the same day, the Directors to retire is (in default of agreement between them) determined by ballot.

Dividends

If the Directors determine that a final or interim dividend is payable, it is (subject to the terms of issue on any Shares or class of Shares) paid on all Shares proportionate to the amount for the time being paid on each Share. Dividends may be paid by cash, electronic transfer or any other method as the Board determines.

The Directors have the power to capitalise and distribute the whole or part of the amount from time to time standing to the credit of any reserve account or otherwise available for distribution to Shareholders. The capitalisation and distribution must be in the same proportions which the Shareholders would be entitled to receive if distributed by way of a dividend.

Subject to the Listing Rules, the Directors may pay dividends as the directors resolve but only out of the profits of Imugene.

Indemnities and insurance

Imugene must indemnify current and past Directors and other executive officers (**Officers**) of Imugene on a full indemnity basis and to the fullest extent permitted by law against all liabilities incurred by the Officer as a result of their holding office in Imugene or a related body corporate.

Imugene may also, to the extent permitted by law, purchase and maintain insurance, or pay or agree to pay a premium for insurance, for each Officer against any liability incurred by the Officer as a result of their holding office in Imugene or a related body corporate.

7.3 Documents available for inspection

Copies of the following documents are available for inspection during normal office hours at the registered office of the Company for 13 months after the date of this Prospectus:

- (a) the constitution of Imugene; and
- (b) the consents to the issue of this Prospectus.+

8 Additional information

8.1 Principal effect of the SPP and Placement on the Company

The principal effects of the Equity Raising, assuming the SPP and the Placement are fully subscribed, will be to:

- (a) increase the number of Shares on issue by 316,666,666 Shares, from 4,990,576,768 Shares immediately prior to the Placement, to 5,307,243,434 Shares;
- (b) increase the number of Options on issue by 158,333,333, from 524,860,708 Options immediately prior to the Placement, to 683,194,041 Options; and
- (c) increase cash reserves by approximately \$71,250,000 million (on a full subscription basis) immediately after completion of the SPP and the Placement and payment of the costs and expenses set out in this Prospectus, including the estimated expenses of the SPP and the Placement.

8.2 Continuous reporting and disclosure obligations

This Prospectus is a 'transaction specific prospectus' issued under section 713 Corporations Act as a prospectus for the issue of continuously quoted securities and options to acquire continuously quoted securities.

In general terms, a transaction specific prospectus is only required to contain information about the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information about all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

The Company is subject to regular reporting and disclosure obligations because it is a 'disclosing entity' for the purposes of the Corporations Act. Additionally, as a listed company, Imugene is subject to the Listing Rules which require disclosure to ASX of any information the Company has which a reasonable person would expect to have a material effect on the price or value of its Shares.

Copies of ASX announcements are available on the ASX website or the Company's website at www.imugene.com.

The Company's ASX announcements since 31 December 2020 to the date of this Prospectus are set out below.

Date	Announcements
07/01/2021	Imugene Completes Recruitment To Her-Vaxx Phase 2 Trialim
21/01/2021	Imugene Dose Escalates in PD1-VAXX Phase 1 Clinical Trial
27/01/2021	Proposed issue of Securities - IMU
27/01/2021	Appendix 2A
29/01/2021	Appendix 4C - quarterly
03/02/2021	Proposed issue of Securities – IMU
03/02/2021	Appendix 2A
12/02/2021	Imugene Commences Cohort 2 Dosing in Phase 1 PD1-Vaxx Trial
23/02/2021	Proposed issue of Securities – IMU
23/02/2021	Appendix 2A

Date	Announcements
26/02/2021	Half Yearly Report and Accounts
11/03/2021	Imugene to Present HER-Vaxx Phase 2 Data at AACR21 Meeting
11/03/2021	Imugene to Present Oncolytic Virus Data at AACR21 Meeting
12/03/2021	Appendix 3G
12/03/2021	A&P DJI Announces March 2021 Quarterly Rebalance
01/04/2021	Proposed issue of Securities – IMU
01/04/2021	Appendix 2A
07/04/2021	Final Highest Dose in Phase 1 Clinical Trial of PD-Vaxx
12/04/2021	Imugene HER-Vaxx Presentation at AACR 2021 Meeting
12/04/2021	Imugene Oncolytic Virus Presentation at AACR 2021 Meeting
19/04/2021	Proposed issue of Securities – IMU
19/04/2021	Appendix 2A
21/04/2021	Imugene announces clinical milestone for HER-Vaxx
23/04/2021	Appendix 4c – Quarterly
29/04/2021	Prestigious Research Journal Publish HER-Vaxx Phase 1B Data
29/04/2021	Proposed issue of Securities – IMU
29/04/2021	Appendix 2A
07/05/2021	Proposed issue of Securities – IMU
07/05/2021	Appendix 2A
14/05/2021	Proposed issue of Securities – IMU
14/05/2021	Appendix 2A
18/05/2021	Imugene Licenses CAR T Directed OV Therapy for Solid Tumours
18/05/2021	Investor Presentation
18/05/2021	Investor Webinar Details
21/05/2021	Proposed issue of Securities – IMU
21/05/2021	Appendix 2A
25/05/2021	CEO & Executive Chairman increases IMU shareholding
25/05/2021	Proposed issue of Securities – IMU
25/05/2021	Appendix 2A
25/05/2021	Change of Director's Interest Notice – CW
25/05/2021	Change of Director's Interest Notice – LC
27/05/2021	Change of Director's Interest Notice – PH
28/05/2021	Managing Director and CEO increases shareholding in Imugene
28/05/2021	Proposed issue of Securities – IMU
28/05/2021	Appendix 2A

Date	Announcements
28/05/2021	Change of Director's Interest Notice – LC
04/06/2021	Proposed issue of Securities – IMU
04/06/2021	Appendix 2A
10/06/2021	Imugene Appoints Dr Monil Shah as Chief Business Officer
11/06/2021	Investor Webinar Presentation
11/06/2021	Investor Webinar Presentation Clarification
11/06/2021	Investor Webinar Presentation
11/06/2021	Proposed issue of Securities – IMU
15/06/2021	Notification regarding unquoted securities – IMU
15/06/2021	Application for quotation of securities – IMU
15/06/2021	Notice under Section 708A
25/06/2021	Application for quotation of securities – IMU
29/06/2021	Application for quotation of securities – IMU
02/07/2021	FDA IND Approval of New Oncolytic Virotherapy CheckVacc
05/07/2021	Imugene Presents HER-Vaxx Update at ESMO World GI Congress
05/07/2021	Change of Director's Interest Notice – LR
09/07/2021	Issuance of Milestone Shares Under Vaxinia Acquisition
09/07/2021	Proposed issue of Securities – IMU
09/07/2021	Appendix 2A
09/07/2021	Application for quotation of securities – IMU
09/07/2021	Notice under Section 708A
23/07/2021	Appendix 4C – Quarterly Report
26/07/2021	Application for quotation of securities – IMU
27/7/2021	Trading Halt
28/07/2021	Investor Webinar
29/07/2021	Investor Presentation
29/07/2021	Imugene Completes \$90 M Placement and \$5 M SPP

In addition, copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

The information in the Annual Report, the Half Yearly Report and the ASX announcements described in the table above may be of interest to investors and their financial advisers as these documents contain information regarding the Company's financial position and operations that investors may consider relevant to any decision to apply for New Shares and New Options under the Offer.

The Directors rely upon section 712(3) Corporations Act with the inclusion by reference of:

- (a) the Annual Report and the Half Yearly Report; and

(b) the Company's ASX announcements since 31 December 2020 set out in the table above, for the purposes of section 711 Corporations Act.

The Company will give free of charge, to any person who requests it before the Record Date, a copy of the Annual Report or the Half Yearly Report and any continuous disclosure notices lodged by the Company from 31 December 2020 to the date of this Prospectus.

8.3 Recent transactions

The Company has recently acquired the intellectual property to CD19. For more information refer to the ASX announcement dated 18 May 2021.

8.4 Rights attaching to New Shares

The rights attaching to the New Shares, which are the same as the Existing Shares, are set out in the Company's constitution and summarised in section 7.2 of this Prospectus.

8.5 Rights attaching to New Options

The rights attaching to the New Options are summarised in the Annexure to this Prospectus.

8.6 Existing Options

Existing Options	Exercise price	Expiry date
161,877,495 167,983,213	\$0.040	30-Nov-21
167,983,213 161,877,495	\$0.054	30-Nov-22
25,000,000	\$0.040	13-Jun-22
10,000,000	\$0.040	8-Nov-22
20,000,000	\$0.042	8-Nov-22
40,000,000	\$0.045	8-Nov-22
30,000,000	\$0.040	18-Nov-22
5,000,000	\$0.065	30-Sep-23
5,000,000	\$0.060	30-Sep-23
10,000,000	\$0.090	1-Dec-23
5,000,000	\$0.090	1-Dec-23
45,000,000	\$0.190	30-Apr-21

The Board considers it is unlikely that any Existing Options will be exercised before the Record Date. However, if any Existing Options are exercised before the Record Date, any proceeds raised will be applied to the general working capital of Imugene.

8.7 Litigation

To the best of the Directors' knowledge and belief, no litigation, mediation, conciliation or administrative proceeding is taking place, pending or threatened against the Company.

8.8 Consents and disclaimers of responsibility

None of the parties referred to below has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, except as specified below. Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for, any part of this Prospectus, other than the reference to its name and the statement included in this Prospectus with the consent of that party, as specified below.

Bell Potter has given, and has not withdrawn, its written consent to be named as Lead Manager to the Offer in the form and context in which it is named.

McCullough Robertson has given, and has not withdrawn, its written consent to be named as lawyers to the Company in the form and context in which it is named.

Automatic Registry Services Limited has given, and not withdrawn, its written consent to be named as share registrar in the form and context in which it is named.

8.9 Interests of Lead Manager

Other than as set out elsewhere in this Prospectus:

- (a) the Lead Manager has not, and has not had in the two years before lodgment of this Prospectus, any interest in:
 - (i) the formation or promotion of Imugene;
 - (ii) the offer of the New Shares and New Options; or
 - (iii) any property proposed to be acquired by Imugene in connection with the formation or promotion of Imugene or the offer of the New Shares and New Options; and
- (b) no amounts have been paid or agreed to be paid and no benefit has been given or agreed to be given, to the Lead Manager for services rendered by it in connection with the formation or promotion of Imugene or the offer of the New Shares and New Options.

8.10 Interests of experts and advisers

Except as set out in this Prospectus:

- (a) no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus has any interest or has had any interest during the last two years:
 - (i) in the formation or promotion of Imugene;
 - (ii) in property acquired or proposed to be acquired by Imugene in connection with its formation or promotion or the offer of the New Shares and New Options, or
 - (iii) the offer of the New Shares and New Options; and
- (b) no amount has been paid or agreed to be paid, and no benefit has been given, or agreed to be given, to any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution

of this Prospectus in connection with the services provided by the person in connection with the:

- (i) formation or promotion of Imugene, or
- (ii) offer of the New Shares and New Options.

Bell Potter has acted as Lead Manager to the Offer. Bell Potter will be paid an amount of \$5,700,000 for these services.

McCullough Robertson has acted as legal adviser to the Company for the Offer and has undertaken due diligence enquiries and provided legal advice on the Offer. McCullough Robertson will be paid an amount of \$50,000 for these services.

8.11 Substantial Shareholders

Mann Family hold 5.83% of the holdings in Imugene.

No other Shareholders have a substantial holding in Imugene at the time of this prospectus.

This is the current shareholding of each substantial Shareholder and not the position after taking up any New Shares under the Placement or SPP.

8.12 Interests of Directors

Other than as set out above or elsewhere in this Prospectus:

- (a) no Director or proposed Director of Imugene has, or has had in the two years before lodgment of this Prospectus, any interest in:
 - (i) the formation or promotion of Imugene;
 - (ii) any property acquired or proposed to be acquired by Imugene in connection with the formation or promotion or the offer of the New Shares and New Options; or
 - (iii) the offer of the New Shares and New Options, and
- (b) no amounts have been paid or agreed to be paid and no benefit has been given or agreed to be given, to any Director or proposed Director of Imugene either:
 - (i) to induce him or her to become, or to qualify him or her as, a Director, or
 - (ii) otherwise for services rendered by him or her in connection with the formation or promotion of Imugene or the offer of the New Shares and New Options].

Shareholdings

The Directors or their associates have a beneficial interest in the following Shares and Existing Options at the date of this Prospectus:

Director	Existing Shares	Existing Options
Mr Paul Hopper	201,465,468	Nil
Ms Leslie Chong	77,000,000	Nil
Dr Axel Hoos	23,375,000	10,000,000

Director	Existing Shares	Existing Options
Mr Charles Walker	13,438,666	25,000,000
Dr Lesley Russell	13,700,000	10,000,000
Dr Jens Eckstein	Nil	25,000,000

The Directors reserve the right to apply for New Shares under the SPP.

Payments to Directors

The constitution of Imugene provides that the Directors may be paid, as remuneration for their services, a sum set from time to time by the Shareholders in general meeting, with that sum to be divided among the Directors as they agree.

The maximum aggregate amount which has been approved by the Shareholders for payment to the Directors is \$400,000,000 per annum. The current Executive director fees are \$255,000 per annum for the Chairman and US\$50,000 per annum for each of the non-executive directors.

8.13 Expenses of the SPP

The total estimated expenses of the SPP payable by the Company including ASX and ASIC fees, accounting fees, legal fees, share registry fees, printing costs, public relations costs and other miscellaneous expenses are estimated to be \$314,000.

8.14 CHES

The Company participates in the Clearing House Electronic Sub-register System (CHES), operated by ASX Settlement (a wholly owned subsidiary of ASX), in accordance with the Listing Rules and ASX Settlement Rules.

Under CHES, the Company does not issue certificates to the holders of Securities. Instead, the Company provides holders with a Holding Statement (similar to a bank account statement) that sets out the number of New Securities allotted and issued to them under this Prospectus.

This Holding Statement also advises investors of either their Holder Identification Number (HIN) in the case of a holding on the CHES sub-register or Security Holder Reference Number (SRN) in the case of a holding on the issuer sponsored sub-register.

A Holding Statement is routinely sent to holders at the end of any calendar month during which their holding changes. A holder may request a statement at any other time; however, a charge may be incurred for additional statements.

8.15 Taxation implications

The Directors do not consider that it is appropriate to give potential Applicants advice regarding the taxation consequences of applying for New Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions for potential Applicants.

Neither the Company nor any of its advisers or officers accept any responsibility or liability for any taxation consequences to potential Applicants in relation to the Offers. Potential Applicants should, therefore, consult their own tax adviser in connection with the taxation implications of the Offers.

8.16 Electronic Prospectus

This Prospectus is available in electronic form at www.imugene.com. Any person receiving this Prospectus electronically will, on request, be sent a paper copy of the Prospectus by Imugene free of charge until the Closing Date.

An Application Form may only be distributed attached to a complete and unaltered copy of the Prospectus. An Application Form included with this Prospectus contains a declaration that the investor has personally received the complete and unaltered Prospectus before completing the Application Form.

Imugene will not accept a completed Application Form if it has reason to believe that the Applicant has not received a complete paper copy or electronic copy of the Prospectus or if it has reason to believe that the Application Form or electronic copy of the Prospectus has been altered in any way.

While Imugene believes that it is extremely unlikely that during the period of the Offer the electronic version of the Prospectus will be altered in any way, Imugene can not give any absolute assurance that this will not occur. Any investor in doubt about the validity or integrity of an electronic copy of the Prospectus should immediately request a paper copy of the Prospectus directly from Imugene or a financial adviser.

8.17 Privacy

Eligible Shareholders may be asked to give personal information to Imugene directly, and through the share registry, such as name, address, telephone and fax numbers, tax file number and account details. The Company and the share registry collect, hold and use that personal information to provide facilities and services to Eligible Shareholders and undertake administration. Access to information may be disclosed by the Company to its agents and service providers on the basis that they deal with the information under the *Privacy Act 1988* (Cth). The Company's privacy policy sets out how Shareholders may request access to and correction of their personal information held by or on behalf of the Company (by contacting the share registry), how Shareholders can complain about privacy related matters and how the Company responds to complaints.

8.18 Enquiries

Any questions concerning the Offers should be directed to the SPP Information Line on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) between 8:30am and 5:00pm (AEST), Monday to Friday during the Offer Period.

8.19 Authorisation

This Prospectus is issued by the Company. Each Director has consented to the lodgment of the Prospectus with ASIC.

Dated 29 July 2021



Mr Paul Hopper
Executive Chairman

9 Glossary

In this document:

Annual Report	means the annual report of the Company for the financial year ended 30 June 2020 which includes audited financial statements for the financial year ended 30 June 2020 and the auditor's report, which was lodged with ASX and ASIC on 31 August 2020.
Applicant	means a person who applies for New Securities under and in accordance with this Prospectus.
Application	means a valid application for New Securities offered under this Prospectus.
Application Form	means the application form that accompany this Prospectus.
Application Money	means money received from an Applicant in respect of an Application.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Bell Potter or Lead Manager	means Bell Potter Securities Limited ACN 006 390 772.
Board	means the board of directors of the Company.
Business Day	means a business day as defined in the Listing Rules.
CHESS	means Clearing House Electronic Subregister System, operated by ASX Settlement.
Closing Date	means the closing date of the Offers, being 5:00pm AEST on Wednesday, 18 August 2021.
Company or Imugene	means Imugene Limited ACN 009 179 551.
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Custodian	means a custodian, trustee or nominee holder of Shares within the meaning of 'custodian' in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.
Directors	means the directors of the Company.
Eligible Shareholder	means a Shareholder who is registered as the holder of Shares on the Record Date and is resident in Australia or New Zealand.
Equity Raising	means the SPP and the Placement.
Existing Options	means the Options already on issue in Imugene and referred to in section 8.6 of this Prospectus.
Existing Shareholders	means the holders of Shares before the date of this Prospectus.
Existing Shares	means the Shares already on issue in Imugene as at the Record Date.

Half Yearly Report	means the report of the Company for the half year ended 31 December 2020 which includes reviewed financial statements for the financial year ended 31 December 2020 and the auditor's review report, which was lodged with ASX and ASIC on 26 February 2021.
Listing Rules	means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.
New Options	means an Option exercisable at \$0.45 each on or before 31 August 2024, and otherwise on the terms and conditions set out in the Annexure, to be issued or offered under an Offer to this Prospectus.
New Securities	means the Securities offered under this Prospectus, being any one or more of the following, as the context requires the: (a) New Securities under the SPP; and (b) New Options under the Placement Options Offer.
New Shares	means a new Share, which the Company may issue to investors under an Offer to this Prospectus.
Offer Period	means the period that an Offer is open, being the period between the Opening Date and the Closing Date.
Offer Price	means \$0.30 per New Share.
Offers	means the offer being made under the SPP, the Placement Options Offer, or any one of those offers as the case may be.
Opening Date	means the opening date of the Offers, being Wednesday, 4 August 2021 or such other date as determined by the Directors.
Option	means an option to subscribe for a Share.
Optionholder	means a holder of an Option.
Option Terms	means these terms of issue of Options detailed in the Annexure to this Prospectus.
Placement	means has the meaning given to that term in Section 3.2.
Placement Option Offer	means the offer of New Options in connection with the Placement.
Placement Subscriber	means a person to whom New Shares are to be issued under the Placement on or around Wednesday, 4 August 2021.
Prospectus	means this document, including the Application Form.
Record Date	means the date at which entitlement of Shareholders to participate in the SPP is determined, being 7.00pm (AEST) on Wednesday, 28 July 2021
Securities	means has the meaning given to that term in section 761A of the Corporations Act and includes a Share and an Option.
Shareholders	means shareholders in Imugene.
Shares	means fully paid ordinary shares in Imugene.
Share Registry	means Automic Registry Service Limited.

SPP	means the offer to each Eligible Shareholder of up to 50,000 New Shares at an issue price of \$0.30 per Share totalling \$15,000, with 1 free attaching New Option for every 2 New Shares subscribed.
SPP Cap	means \$5 million.
Timetable	means the indicative timetable for the Offers as set out in the Key Offer Information section of this Prospectus.
Us or we	means the Company.
You	means the investors under this Prospectus.

Corporate directory

Company

Imugene Limited ACN 009 179 551
Suite 804, Level 8, 37 Bligh St
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Tel: +61 3 9824 5254
www.imugene.com

Lead Manager to the Offer

Bell Potter Securities Limited ACN 006 390 772
AFSL No. 243480
Level 29, 101 Collins Street
Melbourne VIC 3000
Tel: 1300 023 557
www.bellpotter.com.au

Directors

Mr Paul Hopper (**Executive Chairman**)
Ms Leslie Chong (**Managing Director**)
Dr Axel Hoos (**Non-Executive Director**)
Mr Charles Walker (**Non-Executive Director**)
Dr Lesley Russell (**Non-Executive Director**)
Dr Jens Eckstein (**Non-Executive Director**)

Lawyers to the Offer

McCullough Robertson
Level 11
66 Eagle Street
BRISBANE QLD 4000
www.mccullough.com.au

Company Secretary

Mr Phillip Hains

Share Registry

Automic Registry Service Limited
Level 29, 201 Elizabeth Street
Sydney, NSW 2000
Tel: +61 2 9698 5414
www.automic.com.au

Annexure

New Option terms

Eligibility	New Options to be issued to Placement Subscribers and Eligible Shareholders who take up New Shares under this Prospectus.
Grant of New Options	To be issued on the basis of 1 New Option for every 2 New Shares issued to Placement Subscribers in accordance with the terms of the Placement, or Eligible Shareholders under this Prospectus, as the case may be.
Quotation of New Options	The Company will apply to ASX for official quotation of any of the New Options.
Exercise of New Options	<p>Each New Option is exercisable immediately on issue. The New Options may be exercised at any time before their expiry date, wholly or in part, by delivering a duly completed form of notice of exercise together with a cheque for the exercise price. Imugene will issue one Share for each New Option exercised.</p> <p>Holders of New Options may only exercise a minimum of \$500 of New Options on any particular occasion, unless the Holder has, in total, less than \$500 of New Options, in which case they must exercise all their New Options at the same time.</p> <p>The exercise of each New Option is subject to compliance with the <i>Corporations Act 2001</i> (Cth) (Corporations Act) (in particular, the requirements of Chapter 6 of the Corporations Act).</p>
Terms of Shares issued	Any Shares issued as a result of exercising a New Option will be issued on the same terms and rank in all respects on equal terms, with existing Shares.
Transfer and security interests	<p>Eligible Shareholders may only:</p> <ul style="list-style-type: none"> (a) create a security interest in; or (b) transfer, assign, dispose or otherwise deal with, <p>New Options, or any interest in New Options, with the prior written consent of the Board.</p>
Quotation of Shares issued	Application for official quotation of Shares allotted and issued as a result of the exercise of the New Options will be made within three Business Days from the date of issue of the Shares.
Expiration of New Options	Each New Option will have an expiration date that is the 31 August 2024.
Issue price of New Options	No issue price is payable for the New Options as they are issued together with any application by a Placement Subscriber or an Eligible Shareholder for New Shares.
Exercise price of New Options	\$0.45 upon exercise to acquire each Share.
Option register	New Options will be registered in the name of a Shareholder in an option register maintained by the share registry. The share registry will issue holding statements that evidence the number of New Options held by the Placement Subscriber or Eligible Subscriber. No option certificates will be issued.

Reconstruction of capital	<p>If there is a reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of Imugene:</p> <p>(c) the number of New Options or the exercise price of the New Options or both will be adjusted as specified in Listing Rule 7.22 as it applies at the time of the reorganisation; and</p> <p>(d) in all other respects the terms for the exercise of the New Options will remain unchanged.</p>
Adjustment where pro rata issue of Shares, bonus shares or stock dividends	<p>If there is a pro rata issue of Shares, the exercise price of the New Options will be adjusted as specified in Listing Rule 6.22.2. If there is a bonus or cash issue of Shares, the number of Shares issued upon exercise of the New Options will be adjusted as specified in Listing Rule 6.22.3.</p> <p>There will be no adjustment to the terms of the New Options if there is a pro rata issue of shares.</p>
New issues of Shares	<p>The New Options do not confer a right to participate in new issues of Shares unless the New Options have been exercised on or before the record date for determining entitlements to the issue.</p>
Notice of adjustments	<p>Imugene will give written notice to the New Option holder of any adjustment of the exercise price of the New Options and any increase or decrease in the number of New Options.</p>
Dividend rights	<p>While they remain unexercised, the New Options will not give a holder an entitlement to receive any dividends declared and paid by Imugene for Shares.</p>
Applicable law	<p>Each New Option is issued subject to:</p> <p>(a) the Corporations Act;</p> <p>(b) the Listing Rules; and</p> <p>(c) the Company's constitution.</p>
US securities law restriction	<p>The New Options may not be exercised by or on behalf of a person in the United States unless the New Options and the underlying shares have been registered under the <i>US Securities Act of 1933</i> and applicable US state securities laws, or exemptions from such registration requirements are available.</p>