



ASX ANNOUNCEMENT

Imugene avian influenza vaccine moves to final trial stages

US poultry trials for the two avian influenza vaccine candidates on schedule for completion by late January

15 December 2006, Sydney, Australia: Imugene Limited (ASX:IMU) today confirmed the efficacy trials for its new avian influenza vaccine candidates for poultry had entered the final phases. The trial in poultry is being undertaken by Benchmark Biolabs Inc at its high level containment animal trial facilities in the United States.

The trial commenced on schedule in late November 2006. Benchmark Biolabs has successfully completed the first phase of the trial validating the challenge model. The second and final phases in which chickens receive Imugene's vaccine and are subsequently challenged with avian influenza virus has commenced.

The expected trial completion date is mid to late January 2007. Interim results should be available shortly thereafter.

Benchmark Biolabs is a specialist contract research provider with clinical trial facilities located in Nebraska. The clinical facility is an approved Animal and Laboratory Biosafety Level 3 (BSL-3) laboratory and trial facility making it one of the few locations worldwide that can undertake animal trials with infectious agents such as avian influenza.

About the Imugene avian influenza vaccines

Imugene has developed two different avian influenza vaccines for poultry. One is for the broiler (chicken meat) market and the other is for the breeder and egg layer markets.

The trial vaccines both utilise Imugene's proven *Fowl Adenoviral Delivery Vector* technology to deliver the necessary genetic material to stimulate a bird's immune system to protect against the bird flu virus.

The two vaccine candidates differ as the commercial requirements for broilers and breeders or layers vary. The primary aim for a commercial bird flu vaccine for broilers is to provide immunity early in a bird's life but the protection need only be short term as broiler birds typically reach market weight by 42-49 days of age. Layer birds and birds

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used for breeding stock for the broiler market require longer lasting immunity. The vaccine designed for layers and breeders uses two antigens (rather than the single antigen used in the broiler vaccine) to elicit both antibody and cell mediated immunity.

The Imugene vaccine candidates have been thoroughly verified by a series of in-house and external tests.

Major advantages of the Imugene vaccine candidates

An effective vaccine could be used to protect the world's poultry industry from further avian influenza outbreaks and halt the spread towards Australia, Europe and the US.

A viable vaccine to control outbreaks must be safe, effective and able to be quickly and easily administered on a large scale.

The Imugene vaccine candidates

- use technology that allows authorities to differentiate between infected and vaccinated birds, a vital consideration for the international poultry industry
- deliver only a portion of the flu genetic material instead of the whole virus. This makes the Imugene vaccines safe by preventing mutations or recombination with human flu viruses
- have been generated using the Imugene delivery system are very cost effective for mass administration to entire poultry sheds and do not require injection of each bird
- are specific to the H5N1 strain of avian influenza, but can be easily and quickly adapted to protect against other strains of influenza

The advantages of the Imugene vaccine solve the limitations of existing vaccines and treatments.

About Benchmark Biolabs

Benchmark Biolabs Inc, based in Lincoln, Nebraska, is a privately held contract service provider serving the life sciences industry. Benchmark's customers include traditional and non-traditional biologics firms seeking technology development in a compliant environment. Benchmark has developed particular capabilities for the application of creative scientific solutions to address product development needs along a defined regulatory pathway for conventional and novel technologies. More specific information regarding Benchmark Biolabs may be obtained by contacting Dr Tom Overbay, Director, Business Development at toverbay@benchmarkbiolabs.com.

Benchmark Biolabs provides support to the animal health and life sciences industries by offering contracted services in the areas of laboratory services, clinical and pre-clinical studies, regulatory services and compliance and small-scale manufacturing. Benchmark also provides business development and general management services to those clients in emerging businesses. Benchmark's staff of scientists and professionals has an outstanding track record for bringing leading edge technologies from concept to the laboratory to the marketplace.

The National Center for Import and Export (NCIE) has approved Benchmark's Nebraska clinical facility to the required Animal and Laboratory Biosafety Level 3 (BSL-3) status.

NCIE requires BSL-3 status for research involving certain infectious agents, including avian influenza.

For procedures involving manipulation of infectious materials scientists conduct procedures within biological safety cabinets or other containment devices. Personnel wear protective clothing and equipment, and the laboratory includes special engineering and design features to ensure microorganisms are contained within the facility.

According to Dr Tom Overbay, Director, Business Development, "The BSL-3 approval recognises Benchmark has the facilities, personnel and procedures to work safely with and contain pathogenic agents."

There are very few BSL-3 approved facilities within North America, a deficit which has impeded research efforts aimed at addressing important infectious disease threats, including avian influenza.

About Imugene

Imugene specialises in commercialising animal health products for production animals including pigs and poultry.

Imugene owns the worldwide rights to the *Fowl Adenoviral Vector Delivery System* for poultry and the *Porcine Adenoviral Vector Delivery System* for pigs. Imugene has successfully licensed the first product based on the *Fowl Adenoviral Vector Delivery System* – the *Poultry Productivity Enhancer*.

Imugene's poultry and pig portfolio is targeting a worldwide US\$3 billion annual market with four lead vaccine products under development and a strong product pipeline. Consumer demands for disease free and residue free food will bolster Imugene's prospects.

Imugene's products safely prevent disease and reduce or eliminate antibiotics and harmful chemicals in animals. Animal antibiotics and chemicals in the human food chain have been linked to the emergence of dangerous resistant bacteria in people and food residues.

For more information please visit the Imugene Website www.imugene.com

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