



ASX ANNOUNCEMENT

18 January 2008

Rights Issue - Notification of Shortfall

Imugene Limited (ASX:IMU) advises that acceptances under the Company's 1 for 10 entitlement offer (as first announced to the market on 3 December 2007, "Rights Issue") closed at 5pm (WST) on 15 January 2008.

Valid acceptances from 474 shareholders were received in respect of 4,212,495 shares representing a take-up of approximately 32%. The underwritten shortfall of 8,845,161 shares will now be placed by the underwriters of the Rights Issue.

Imugene expects that, following allotment of the Rights Issue shares, holding statements will be despatched on or before 24 January 2008.

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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