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## **IMUGENE LIMITED**

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### **NOTICE OF ANNUAL GENERAL MEETING**

**The Annual General Meeting of the Company will be held at 10.30 am (AEDST) on Friday, 28 November 2008 at the Sir James Fairfax Meeting Room, Mezzanine Level, Radisson Plaza Hotel, 27 O'Connell Street, Sydney, NSW, 2000.**

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9440 2660.

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# IMUGENE LIMITED

ABN 99 009 179 551

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of the Company will be held at 10.30 am (AEDST) on Friday, 28 November 2008 at the Sir James Fairfax Meeting Room, Mezzanine Level, Radisson Plaza Hotel, 27 O'Connell Street, Sydney, NSW, 2001. ("Meeting").

The Proxy Form forms part of this Notice of Annual General Meeting ("Notice").

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 5.00 pm on Wednesday, 26 November 2008 (AEDST).

## AGENDA

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### Financial Report

To receive the financial report of the Company and its controlled entities for the year ended 30 June 2008 together with a directors' report in relation to that financial year and the auditor's report on the financial report.

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### 1. Remuneration Report

*"That the Remuneration Report of the Company and the entities it controlled during the year ended 30 June 2008 be adopted."*

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

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### 2. Re-election of Director

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

*"That Mr Graham Dowland who retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director."*

Details of Mr Dowland's experience and qualifications are provided in the Company's 2008 Annual Report.

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### 3. Ratification of previous issue of Incentive Options to an Advisor

To consider, and if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

*"That pursuant to and in accordance with Listing Rule 7.4 of the Listing Rules of the Australian Securities Exchange and for all other purposes, Shareholders approve and ratify the allotment and issue to Southern Cross Equities Limited of 3,000,000 incentive options on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."*

#### Voting exclusion statement

For the purposes of Listing Rule 7.4, the Company will disregard any votes cast on resolution 3 by Southern Cross Equities Limited and any of its associates, unless it is cast:

- by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

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### 4. Appointment of Auditor

Resolution 4 will be put to the Meeting if ASIC has consented to the resignation of Deloitte Touche Tohmatsu as the Company's auditor.

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

*"That BDO Kendalls Audit and Assurance (WA) Pty Ltd be appointed as auditor of the Company and that BDO Kendalls Audit and Assurance (WA) Pty Ltd signed Consent to Act be received and recorded."*

Details regarding the resignation of Deloitte Touche Tohmatsu are provided in the Explanatory Statement which follows.

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By Order of the Board



Julie Foster  
Company Secretary  
21 October 2008

## **EXPLANATORY STATEMENT**

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This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's 2008 Annual General Meeting.

The purpose of this Explanatory Memorandum is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in the Explanatory Statement are defined in the Glossary.

## **Financial Statements and Reports**

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As a Shareholder, you are entitled to submit one written question to the auditor prior to the Annual General Meeting providing that the question relates to:

- the content of the auditor's report; or
- the conduct of the audit in relation to the financial report.

All written questions must be received by the Company no later than five business days before 28 November 2008.

All questions must be sent to the Company and may not be sent direct to the auditor. The Company will then forward all questions to the auditor.

A representative from the audit firm will be attending the Annual General Meeting and will be available to answer questions from Shareholders relevant to:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

The audit firm representative will also answer written questions submitted prior to the Annual General Meeting.

## **1. Resolution 1 - Remuneration Report**

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Shareholders are entitled to vote on the question whether the Remuneration Report as contained in the Annual Report for the year ended 30 June 2008 is to be adopted.

Shareholders should note that Resolution 1 is an "advisory only" resolution which does not bind the Company.

Following consideration of the Remuneration Report, the Chair will give Shareholders a reasonable opportunity to ask about, or make comments on, the Remuneration Report.

## **2. Resolution 2 - Re - Election of Director**

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In accordance with Listing Rule 14.4 and clause 13.2 of the Constitution, at every Annual General Meeting, one third of the Directors (or if the number of Directors is not a multiple of 3, then such number as is appropriate to ensure that no Director other than an alternate Director or the Managing Director holds office for more than 3 years) for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

These requirements for a Director to retire do not apply to a Managing Director (but if there is more than one Managing Director, only one is exempt from retirement).

In determining the number and identity of the Directors to retire by rotation, the Managing Director and any Director seeking election after appointment by the Board to fill a casual vacancy are not taken into account.

Mr Graham Dowland retires by rotation at this meeting and, being eligible, offers himself for re-election.

The Directors recommend that Shareholders vote in favour of this resolution.

## **3. Resolution 3 - Ratification of previous issue of Incentive Options to an Advisor**

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### **Background**

3,000,000 Incentive Options exercisable at \$0.20 on or before 31 March 2011 subject to the terms and conditions in Annexure A ("Incentive Options") were granted to Southern Cross Equities Limited (SCE), and / or their nominee(s) on 30 June 2008.

The Incentive Options were granted to SCE in recognition of their continuing corporate advisory support to the Company. SCE have been the lead stockbrokers to the Company for over 4 years and have agreed to continue to assist the Company in achieving its corporate and commercial objectives within the global animal health industry. SCE is a wholly Australian owned stockbroking and investment banking firm based in Sydney

### **Listing Rule 7.1**

Listing Rule 7.1 broadly provides, subject to certain exceptions, that shareholder approval is required for any issue of securities where the securities proposed to be issued represent more than 15% of the Company's fully paid ordinary shares then on issue. Although Shareholder approval is not required to enable the issue of the Incentive Options, Listing Rule 7.1 approval is nevertheless being sought so that the 15% threshold is maintained and available for use by the Company in the future should the circumstances require it.

*Listing Rule 7.5 requires the following information to be given to Shareholders:*

3,000,000 Incentive Options were granted to SCE and / or their nominee(s) on 30 June 2008.

The Incentive Options will vest on 30 September 2008 and are exercisable at \$0.20 on or before 31 March 2011.

The Incentive Options were issued for no consideration and accordingly no funds will be raised from the grant of the Incentive Options.

The Incentive Options carry no dividend or voting rights. Upon vesting and becoming exercisable, each option is convertible into one ordinary share.

The full terms and conditions of the Incentive Options, the subject of this resolution, are provided in Annexure A to this Explanatory Statement.

All Directors recommend that Shareholders vote in favour of Resolution 3.

## 4. Resolution 4 - Appointment of Auditor

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Deloitte Touche Tohmatsu (Deloitte), the Company's existing auditor, has sought consent from ASIC to resign as auditor of the Company effective from the date of the conclusion of this Annual General Meeting.

Resolution 4 will be put to the Meeting if ASIC has consented to the resignation of Deloitte Touche Tohmatsu as the Company's auditor.

The Board has been satisfied with the services of Deloitte as company auditor and thank them for the service that they have provided.

The Board have considered the most appropriate arrangements for its audit work. The Directors consider that BDO Kendalls Audit and Assurance (WA) Pty Ltd is best suited to audit the Company at its current stage of activity and seek approval to appoint BDO Kendalls Audit and Assurance (WA) Pty Ltd as auditor of the Company.

The Company has received a notice from a Shareholder nominating the appointment of BDO Kendalls Audit and Assurance (WA) Pty Ltd as auditor of the Company (Annexure B) and BDO Kendalls Audit and Assurance (WA) Pty Ltd have consented to act as auditors if this Resolution is passed.

All Directors recommend shareholders approve this resolution.

## Glossary

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In this Explanatory Statement, the following terms have the following meanings unless the context otherwise requires:

<b>AEDST</b>	Australian Eastern Daylight Savings Time
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASX</b>	ASX Limited
<b>Board</b>	board of Directors
<b>Chair</b>	Mr Graham Dowland
<b>Company</b>	Imugene Limited ABN 99 009 179 551
<b>Constitution</b>	constitution of the Company
<b>Corporations Act</b>	<i>Corporations Act 2001 (Cth)</i>
<b>Director</b>	director of the Company
<b>Remuneration Report</b>	the section of the Directors' report contained in the Annual Report entitled "Remuneration Report"
<b>Share</b>	fully paid ordinary share in the capital of the Company
<b>Shareholder</b>	Shareholder of the Company

# Annexure A

## INCENTIVE OPTIONS

### TERMS AND CONDITIONS OF INCENTIVE OPTIONS

1. Each option shall be issued for no consideration.
2. Each option entitles the holder to subscribe for one ordinary share in Imugene Limited ACN 009 179 551 ("Company") upon the payment of \$0.20 per share subscribed for.
3. The options will lapse at 5.00 pm, Western Standard Time on 31 March 2011 ("Expiry Date").
4. The options are exercisable during the period from 1 October 2008 to 31 March 2011 ("Exercise Period")
5. The options will not be listed for official quotation on the ASX.
6. There are no participating rights or entitlements inherent in these options and holders of the options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the option without exercising the option.
7. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
8. the options shall be exercisable at any time during the Exercise Period by the delivery to the registered office of the Company of a notice in writing ("Notice") stating the intention of the optionholder to exercise all or a specified number of options held by them accompanied by an Option Certificate and a cheque made payable to the Company for the subscription monies for the shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some options shall not affect the rights of the optionholder to the balance of the options held by it.
9. The Company shall allot the resultant shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the options.
10. The shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
11. In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the options may be reduced according to the following formula:

$$O' = \frac{O - E[P - (S + D)]}{N + 1}$$

where:

O' = the new exercise price of the Option.

O = the old exercise price of the Option.

E = the number of underlying securities in the Company into which one option is exercisable.

P = the average market price per security (weighted by reference to volume) of the underlying securities in the Company during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price for a security under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue).

N = the number of securities with rights or entitlements that must be held to receive a right to one new security in the Company.

12. Notwithstanding any other terms and conditions, all options may be exercised:
  - a. During a Bid Period
  - b. At any time after a Change in Control or Sale of Major Asset event has occurred
  - c. On an application under section 411 of the Corporations Act if a court orders a meeting to be held concerning a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company.
13. In these terms and conditions:

"**Bid Period**" in relation to a takeover bid in respect to Shares in the Company, has meaning defined in section 9 of the Corporations Act, provided that where a takeover bid is publicly announced prior to the the service of a bidder's statement on the company in relation to that takeover bid, the Bid Period shall be deemed to have commenced at the time of that announcement.

"**Change of Control**" means a shareholder, or a group of associated shareholders

  - a. Becoming entitled to sufficient Shares in the company to give it or them the ability, in general meeting, to replace all or a majority of the Board; or,
  - b. Gaining the ability to control more than 50% of the Voting Power (as defined in the Corporations Act) in the Company.

"**Sale of Major Asset**" means the disposal of assets of the Company or its subsidiaries representing in excess of 50% of the consolidated net assets of Imugene.

Other capitalised terms are defined in the Glossary forming part of the Explanatory Statement.

# Annexure B

The Company Secretary  
Imugene Limited  
Level 20, Allendale Square  
77 St Georges Terrace  
Perth WA 6000

17 October 2008

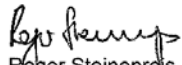
Dear Madam

**Notice of nomination of proposed auditor**

Pursuant to Section 328B(1) of the Corporations Act 2001, Blueknight Corporation Pty Ltd, being a member of Imugene Limited, hereby gives you notice of the nomination of BDO Kendalls Audit and Assurance (WA) Pty Ltd of 128 Hay Street, Subiaco, as auditor of Imugene Limited.

Yours faithfully

**Blueknight Corporation Pty Ltd**

  
Roger Steinepreis  
Director

# IMUGENE LIMITED

ABN 99 009 179 551

## PROXY FORM

The Company Secretary  
Imugene Limited

**By delivery:**  
Level 20, 77 St Georges Terrace  
PERTH WA 6000

**By post:**  
GPO Box 2530  
PERTH WA 6001

**By facsimile:**  
+61 8 9440 2699

I/We <sup>1</sup> \_\_\_\_\_

of \_\_\_\_\_

being a Shareholder/Shareholders of the Company and entitled to \_\_\_\_\_

votes in the Company, hereby appoint <sup>2</sup> \_\_\_\_\_

or failing such appointment the chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the General Meeting of the Company to be held at 10.30 am on Friday, 28 November 2008 (AEDST) at Sir James Fairfax Meeting Room, Mezzanine Level, Radisson Plaza Hotel, 27 O'Connell Street, Sydney, NSW, 2000 and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes of this proxy is authorised to exercise is \* [ ]% of the Shareholder's votes\*/ [ ] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request).

### INSTRUCTIONS AS TO VOTING ON THE RESOLUTIONS

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	To adopt the Remuneration Report for the year ended 30 June 2008 (non-binding resolution).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Incentive Options to Southern Cross Equities Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### OR

In relation to these Resolutions, if the Chairman is to be your proxy and you do **not** wish to direct your proxy how to vote on the Resolution, please place a mark in this box.

By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy even if he has an interest in the outcome of these resolutions and votes cast by him other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the meeting will not cast your votes on these resolutions and your votes will not be counted in computing the required majority if a poll is called on these resolutions. The Chairman intends to vote in favour of these resolutions.

**IF THE CHAIRMAN IS TO BE YOUR PROXY IN RELATION TO RESOLUTIONS 1 TO 4 YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, OTHERWISE THIS APPOINTMENT OF PROXY IN RELATION TO RESOLUTIONS 1 TO 4 WILL BE DISREGARDED.**

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.

**Authorised signature/s** This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

<sup>1</sup>Insert name and address of shareholder

Contact Daytime Telephone

<sup>2</sup>Insert name and address of proxy

Date

\*Omit if not applicable

**Proxy Notes:**

A Shareholder entitled to attend and vote at the Meeting may appoint a person or a corporation as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a corporation as the Shareholder's proxy to attend and vote for the Shareholder at that meeting, the representative of the corporation to attend the meeting must produce the appropriate Certificate of Appointment of Representation prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting, the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Perth office of the Company (Level 20, 77 St Georges Terrace, Perth, WA, 6000, or by post to GPO Box 2530, Perth, WA, 6001 or Facsimile (08) 9440 2699 if faxed from within Australia or +618 9440 2699 if faxed from outside Australia) not less than 48 hours prior to the time of commencement of the Meeting (Australian Eastern Daylight Savings Time).