



ASX ANNOUNCEMENT

10 July 2006

US Patent Interference Proceeding to be Resolved in Favour of Imugene

Agreements signed to resolve US patent interference for Porcine Adenoviral Vector (PAV)

Imugene is pleased to report that a favourable resolution to the PAV patent interference process in the US has been agreed. Agreements have been signed giving Imugene ownership of both parties' intellectual property in the US. This allows Imugene to control and finalise the resolution with the US patent judge.

The resolution will proceed with an application to the US Patent Office for the re-issue of the existing patent and the issue of the interfering patent application to Imugene. The result will be that the subject matter of the two patents that led to the interference will be removed from one patent and retained in only one of the patents. As Imugene now owns both patents in the US, the resolution reinforces Imugene's exclusive rights.

Although the terms of the agreements are confidential, Imugene can confirm that the agreed adjusted financial arrangements are equivalent to, or better than the previous license arrangements.

Imugene is now contemplating scientific collaborations with the previous owner of the other patent. This entity is a group with significant international experience in the PAV market.

Background to the Interference

As previously reported, the PAV patent application in the US is undergoing a process known as an 'Interference Hearing'. This process is managed by the US Patent Office when there are two filed independent patents that have one or more claims that are similar. The interference proceeding only affects the US patent and involves a patent application filed subsequent to Imugene's licensed patent filing. The other patent has certain claims that are similar to our patent claims but was filed after Imugene's licensed patent application date.

The interference process determines which party will be granted the exclusive rights in the US to the subject matter of the interference. As Imugene now owns both patents and/or patent applications, Imugene will preserve the exclusive rights. The completion process is now under the control of Imugene and our US patent attorneys.

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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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