



ASX ANNOUNCEMENT

14 November 2006

Poultry product progresses in Merial development program

Imugene's (ASX:IMU) most advanced product, the Poultry Productivity Enhancer – licensed to Merial Animal Health – has moved forward on the regulatory approval path. Dr Bob Nordgren, Vice President Biologics, Research, Development & Technology Acquisition at Merial said, "Key regulatory elements of the product development program were satisfied with the positive results from the safety trials conducted in Australia and the previously agreed milestones remain in place."

A milestone payment will be made to Imugene reflecting the progress. Under the license arrangement Imugene will earn further milestone payments throughout the product development process. Imugene will also receive royalty payments on product sales.

Imugene Managing Director, Dr Warwick Lamb said, "We are pleased to see Imugene's first product moving toward market with a company with such strong credentials. We will continue to provide support to the product development team at Merial to ensure the product has the best possible path to market."

Merial is a world leading animal health company and is a recognised leader in poultry disease management. Merial has an exclusive sub-license agreement for the global rights to develop and sell the innovative poultry productivity enhancing product developed by Imugene.

Imugene retains the rights to all other products utilising the Fowl Adenoviral Delivery Vector platform technology.

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About Merial

Merial is a world-leading, innovation-driven animal health company, providing a comprehensive range of products to enhance the health, well-being and performance of a wide range of animals. Merial is a forward-looking company on the cutting edge of product development and innovation. With a proven track record of producing pharmaceutical products and vaccines for livestock, pets and

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wildlife, millions of doses of Merial products are administered worldwide each year to keep livestock and pets healthy.

Merial employs approximately 5,000 people and operates in more than 150 countries worldwide. Its 2004 sales were in excess of \$1.8 billion. Merial Limited is a joint venture between Merck & Co. and sanofi-aventis. For more information, please see www.merial.com.

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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