



ASX ANNOUNCEMENT

Receptor Mimic Technology to be Commercialised for Humans

16 September 2004, Sydney: Imugene (IMU) and The University of Adelaide have formed a new company, Biomimic Limited, to develop and commercialise human gastrointestinal applications of the Receptor Mimic Technology (RMT).

BioMimic will develop RMT for the treatment, prevention and diagnosis of human diseases such as cholera, rota virus, E coli diarrhoea (Travellers diarrhoea) and antibiotic associated diarrhoea in hospitalised patients caused by *Clostridium difficile*.

RMT is a new biological method for control and prevention of infectious gastrointestinal diseases with multiple potential applications in humans.

The University of Adelaide has, upon the satisfaction of certain conditions, agreed to grant an exclusive world-wide licence to BioMimic to develop and commercialise the RMT in return for 25 percent ownership in BioMimic. The university's ownership contains anti dilution rights for the period of 3 years and until BioMimic raises funds over \$10 million via grants and equity.

Imugene will also initially own a minimum of 25 percent of the equity of BioMimic with the remainder owned by the initial financing participants.

BioMimic will also replace the University of Adelaide as 'Licensor' in the existing pig RMT licence previously agreed with Imugene. In addition, BioMimic today provided rights over all other animal species to Imugene on an option basis. There is no change to the terms of Imugene's RMT pig licence or option rights to the RMT applications for all other animal species. Royalties and milestone payments will continue to be payable upon commercialisation of products for each animal species, however, these will now be paid to BioMimic instead of the university.

Imugene will assist at a Board level, in BioMimic's strategic direction and planning for the research and development of the human RMT applications. The implementation of these plans will require BioMimic to raise additional funds and appoint experienced high-calibre executive management.

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Under the agreements, both BioMimic and Imugene have agreed to a free flow of information on RMT developments.

The conditions precedent relate to various corporate actions required to be undertaken by BioMimic, including adoption of a new constitution, appointment of additional board members and raising certain levels of finance. Upon the satisfaction of these conditions, that are to be satisfied within the next 60 days, the BioMimic agreements will come into effect.

END

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Description of 'How the Receptor Mimic Technology works':
<http://www.imugene.com/porftolio/receptor.html>

www.imugene.com