



ASX ANNOUNCEMENT

PLACEMENT OF NEW SHARES

Issue of 20 million new shares to Institutional investors to raise \$5 million

23 November 2004, Sydney: Imugene (ASX IMU) today announced the placement of 20 million new shares at 25 cents each, raising \$5 million, predominantly to institutional clients of Southern Cross Equities Limited.

“The funds raised will be applied to the final commercialisation stage to progress our lead animal health products through the regulatory approvals process to the major global markets. With the recent success of development trials for our lead products, new senior executive appointments, and appropriate funding, Imugene is now resourced to significantly add value to our assets,” stated Executive Chairman, Mr Graham Dowland

“Our existing institutional shareholders have participated in this placement along with several other Australian and international institutions who have been following the Company’s progress closely over the past year. We are pleased to have achieved our dual ambition of raising an appropriate level of development funding and maintaining and attracting additional quality institutional investors to the share register,” said Mr Dowland.

With each five new shares issued one Option will be granted to subscribers. Each Option is exercisable at 50 cents any time up to 31 January 2007. A total of 4 million options will be granted and if all options are exercised, a further \$2 million will be raised by the Company in the future.

The placement will be settled in two parts. The first settlement for 13.475 million new shares and the attaching 2.695 million Options will occur this week. The second settlement for 6.525 million shares and the attaching 1.305 million Options will occur, subject to shareholder approval, following an Extraordinary General Meeting of the Company to be held in early January 2005. The notice convening the meeting to approve this transaction will be despatched next month. The Board has indicated its intention to vote in favour of the transaction.

A fee of 5% of the funds raised will be paid to Southern Cross Equities Limited.

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More information:

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ABOUT IMUGENE:

Imugene specialises in commercialising animal health products for production animals and pets.

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.

Imugene owns the worldwide rights to two platform technologies. The **Receptor Mimic Technology** for gastrointestinal diseases of pigs and potentially all other animal species. Secondly, the **Adenoviral Vector Delivery System** for pigs and poultry delivers Imugene's highly effective *poultry productivity enhancer*.

Imugene's poultry and pig portfolio is targeting a worldwide US\$3 billion annual market and replace existing chemical and antibiotic products. Consumer demands for residue free food and health regulatory pressures will bolster Imugene's prospects.

Visit the Imugene Website: www.imugene.com