Rule 4.3A

Appendix 4E

Preliminary final report
Year ended 30 June 2008

Name of entity

IMUGENE LIMITED

ABN

99 009 179 551

Financial year ended ("current year")

30 June 2008

Comparative year ended ("prior year")

30 June 2007

Statement

This report is based on information extracted from the Annual Financial Report of Imugene Limited (Company) and the entities it controlled at the end of, or during the year ended 30 June 2008 (Consolidated Entity or Group) which is currently in the process of being audited.

Results for announcement to the market

	UP/DOWN	CHANGE $'000	% CHANGE
Revenues from ordinary activities	**DOWN**	**73**	**44%**
Revenue for the year has decreased due to a fall in interest income on lower average cash balances.			
Loss from ordinary activities after tax attributable to members.	**DOWN**	**393**	**17%**
Loss for the year is lower primarily due to a lower commercialisation spend (primarily a decrease in patent expenses).			
Net loss for the period attributable to members	**DOWN**	**393**	**17%**
No dividends have been paid during or are proposed in respect of the financial year ended 30 June 2008.			

Appendix 4E – Contents and checklist of requirements

For the year ended 30 June 2008

1.	**Reporting period and the previous corresponding period.**	Refer Page 1 of this Appendix 4E
2.	**Results for announcement to the market.**	Refer Page 1 of this Appendix 4E
3.	**Statement of financial performance with notes to the statement.**	Refer Pages 3 and 4 of this Appendix 4E
4.	**Statement of financial position with notes to the statement.**	Refer Pages 6 and 7 of this Appendix 4E
5.	**Statement of cash flows with notes to the statement.**	Refer Pages 8 and 9 of this Appendix 4E
6.	**Details of individual and total dividends or distributions and dividend or distribution payments.**	No dividends or other distributions have been paid during or are proposed in respect of the financial year ended 30 June 2008.
7.	**Details of dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.**	No dividends or other distributions plans are in operation in respect of the financial year ended 30 June 2008.
8.	**Statement of retained earnings.**	Refer Page 10 of this Appendix 4E
9.	**Net tangible assets per security.**	Refer Page 10 of this Appendix 4E
10.	**Details of entities over which control has been gained or lost during the period.**	Not applicable.
11.	**Details of joint venture entities and associated entities.**	The Company has no material associated or joint venture entities.
12.	**Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position**	Refer Page 11 of this Appendix 4E
13.	**Accounting standards used in compiling reports by foreign entities (e.g. International Accounting Standards).**	Not applicable.
14.	**A commentary on the results for the period.**	Refer Page 5 of this Appendix 4E
15.	**A statement as to whether the report is based on accounts which have been audited or subject to review, are in the process of being audited or reviewed, or have not yet been audited or reviewed.**	Refer Page 1 of this Appendix 4E. This report is based on accounts which are in the process of being audited.
16.	**If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification.**	Not applicable.
17.	**If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification**	Not applicable.

Income Statement

For the year ended 30 June 2008

	Consolidated 2008 $	Consolidated 2007 $
Revenue from continuing operations	**92,214**	165,534
Other income	**315,630**	310,723
Total income	**407,844**	476,257
Research and development	**(1,132,644)**	(1,077,187)
Business development	**(191,582)**	(303,209)
Commercialisation expenses	**(570,932)**	(936,819)
Corporate and administration costs	**(662,350)**	(720,351)
	(2,557,508)	(3,037,566)
Loss from ordinary activities before income tax expense	**(2,149,664)**	(2,561,309)
Income tax expense / benefit	**238,739**	257,046
Net loss	**(1,910,925)**	(2,304,263)
Net loss attributable to members of Company	**(1,910,925)**	(2,304,263)
Earnings / (loss) per share		
Basic loss per share (cents per share)	**(1.4)**	(1.8)
Diluted loss per share (cents per share)	**(1.4)**	(1.8)

The above Income Statement is an extract from the full Financial Report which is currently in the process of being audited.

Notes to the Income Statement

For the year ended 30 June 2008

	Consolidated	
	2008	2007
	$	$
Revenue from continuing operations		
Sub-license /contract research fees	**25,000**	63,841
Interest	**67,214**	101,693
	92,214	165,534
Other income		
Government grants	**315,130**	309,151
Other	**500**	1,572
	315,630	**310,723**
Expenses		
Depreciation of tangible fixed assets	**2,706**	4,565
Commercialisation expenses:		
Patent expenses	**38,210**	178,107
Employee expenses	**191,582**	417,572
Amortisation of intangibles	**341,140**	341,140

Commentary on results

For the year ended 30 June 2008

Trends in revenue from continuing operations

Current year revenues are $73,320 lower than 2007, a decrease of 44%. This decrease is primarily due to a reduction in interest income on the lower average consolidated cash reserves over the year to 30 June.

Other Significant Features of Operating Performance

Commercialisation spend has decreased by $365,887 (39%) in comparison to last year as the Company focused on working towards expanding its vaccine results to enable it to enhance its intellectual property rights.

Balance Sheet
As at 30 June 2008

		Consolidated	
		2008	2007
		$	$
Current assets			
Cash and cash equivalents	(a)	**1,619,678**	1,099,226
Trade and other receivables	(b)	**60,771**	1,226
Tax assets	(c)	**189,869**	525,460
Other		**-**	-
Total current assets		**1,870,318**	1,625,912
Non-current assets			
Receivables		**-**	-
Other financial assets		**-**	-
Property, plant and equipment		**9,944**	10,151
Intangible assets	(d)	**3,283,165**	3,624,305
Total non-current assets		**3,293,109**	3,634,456
Total assets		**5,163,427**	5,260,368
Current liabilities			
Trade and other payables	(e)	**400,940**	472,618
Provisions		**92,425**	87,932
Other		**-**	-
Total liabilities		**493,365**	560,550
Net assets		**4,670,062**	4,699,818
Equity			
Contributed equity		**14,907,453**	13,180,042
Reserves		**960,003**	806,245
Accumulated losses		**(11,197,394)**	(9,286,469)
Total parent entity interest in equity		**4,670,062**	4,699,818

The above Balance Sheet is an extract from the full Financial Report which is in the process of being audited.

Notes to Balance Sheet

As at 30 June 2008

		Consolidated	
		2008	2007
		$	$
(a)	**Cash and cash equivalents**		
	Cash at bank and in hand	**1,619,678**	1,099,226
(b)	**Trade and other receivables**		
	Accrue income	**45,680**	-
	Goods and services tax recoverable	**6,136**	-
	Other	**8,955**	1,226
		60,771	1,226
(c)	**Tax assets**	**189,869**	525,460
(d)	**Intangible assets**		
	Patents, licenses and other rights		
	Opening cost	**5,117,095**	5,117,095
	Closing cost	**5,117,095**	5,117,095
	Accumulated amortisation at start of the year	**(1,492,790)**	(1,151,650)
	Amortisation charge	**(341,140)**	(341,140)
	Accumulated amortisation at end of the year	**(1,833,930)**	(1,492,790)
	Opening net book amount	**3,624,305**	3,965,445
	Closing net book amount	**3,283,165**	3,624,305
(e)	**Trade and other payables**		
	Trade payables	**379,526**	419,045
	Deferred income	**-**	30,343
	Other payables	**21,414**	23,230
		400,940	472,618

Cash Flow Statement

For the year ended 30 June 2008

	Consolidated	
	2008	2007
	$	$
Cash flows from operating activities		
Reimbursement / Receipts from customers	**25,488**	65,413
Payments to suppliers and employees	**(2,111,826)**	(2,381,408)
Income tax repayments received	**574,331**	273,648
Other revenue	**239,107**	339,494
Net cash (outflow) from operating activities	**(1,272,900)**	(1,702,853)
Cash flows from investing activities		
Payments for property, plant and equipment	**(2,499)**	-
Interest received	**68,440**	104,835
Net cash inflow from investing activities	**65,941**	104,835
Cash flows from financing activities		
Proceeds from issues of shares	**1,828,072**	-
Share issue costs	**(100,661)**	-
Net cash inflow from financing activities	**1,727,411**	-
Net increase /(decrease) in cash and cash equivalents	**520,452**	(1,598,018)
Cash and cash equivalents at the beginning of the financial year	**1,099,226**	2,697,244
Cash and cash equivalents at the end of the financial year	**1,619,678**	1,099,226

The above Cash Flow Statement is an extract from the full Financial Report which is in the process of being audited.

Notes to Cash Flow Statement

For the year ended 30 June 2008

	Consolidated	
	2008	2007
	$	$
Loss for the year	**(1,910,925)**	(2,304,263)
Depreciation and amortisation	**343,846**	345,705
Share based payment	**153,758**	541,700
Interest income	**(67,214)**	(101,693)
Provision for employee benefits	**4,493**	14,495
Loss on disposal of fixed assets	**-**	7,511
Decrease /(increase) in working capital	**203,142**	(206,308)
Net cash outflow from operating activities	**(1,272,900)**	(1,702,853)

Statement of changes in equity

For the year ended 30 June 2008

	Consolidated	
	2008	2007
	$	$
Share Capital		
At the beginning of the year	**13,180,042**	13,180,042
Issue of shares during year	**1,828,072**	-
Costs of issue	**(100,661)**	-
At the end of the year	**14,907,453**	13,180,042
Share Based Payment Reserve		
At the beginning of the year	**806,245**	264,545
Option expense	**153,758**	541,700
At the end of the year	**960,003**	806,245
Accumulated losses		
At the beginning of the year	**(9,286,469)**	(6,982,206)
Loss for the year	**(1,910,925)**	(2,304,263)
At the end of the year	**(11,197,394)**	(9,286,469)
Total Equity		
At the beginning of the year	**4,699,818**	6,462,381
At the end of the year	**4,670,062**	4,699,818

Net Tangible Assets per Security

As at 30 June 2008

	Consolidated	
	2008	**2007**
	¢	¢
Net tangible assets per ordinary share	**0.97**	0.82

Analyses and Discussion

For the year ended 30 June 2008

Balance sheet / Cash flow statement

During the year, the Company completed a non renounceable rights issue on the basis of 1 new share for every 10 ordinary shares held at an issue price of 14 cents per new share. A total of 13,057,656 shares were issued as a result of the fully underwritten rights issue.

The funds are being applied towards commercialising the Group's technologies.