APPENDIX 4D

For the Half Year Ended
31 December 2013

Results for Announcement to the Market

Current Reporting Period - Half year ended 31 December 2013
Previous Reporting Period - Half year ended 31 December 2012

Revenues	Down	(54.09%)	to	$6,827
Loss after tax attributable to members	Up	22.34%	to	($1,512,078)
Net loss for the period attributable to members	Up	22.34%	to	($1,512,078)

Dividends (distribution)	**Amount per Security**	**Franked Amount per Security**
Final dividend	n/a	n/a
Previous corresponding period	n/a	n/a

Net Tangible Asset per Security (cents per security)

As at 31 December 2013	(0.001)
As at 31 December 2012	0.07

Record date for determining entitlements to dividend: n/a

Explanation of the above information:
Refer to the Directors' Report - Review of Operations.

2. Details of entities over which control has been gained or lost during the period

During the period, the Company acquired 100% of Biolife Science Qld Ltd, a Company that has the rights to 'HER-Vaxx', a novel cancer immunotherapy platform developed by scientists at the University Medical School in Austria.

Total purchase consideration is $4,500,000, settled by the issue of 300,000,000 ordinary shares in Imugene Ltd at $0.015 per share. Full details are disclosed in this interim financial report ended 31 December 2013 (refer to Note 7 Business Combination).

3. Details of individual and total dividends

None

4. Details of dividend reinvestment plans in operation.

None

5. Details of Associates and Joint Ventures

None

6. These accounts have been subject to review and there has been no qualification or dispute.

ABN 99 009 179 551

Interim Financial Report for the Half Year Ended

31 December 2013

Corporate Directory

Directors

Mr Paul Hopper - Executive Chairman
Dr Nicholas Ede - Executive Director
Dr Axel Hoos - Non-Executive Director

Company Secretary

Mr Justyn Stedwell

Mr Phillip Hains

Registered and Principal Office

Suite 1, 1233 High Street,

Armadale, VIC, 3143, Australia

Telephone: (61 3) 9824 5254

Facsimile: (61 3) 9822 7735

Share Register

Computershare Investor Services Pty Ltd

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45 St Georges Terrace

Perth, WA, 6000, Australia

Telephone: 1300 557 010

International: (61 8) 9323 2000

Facsimile: (61 8) 9323 2033

Patent Attorney

Davies Collison Cave

1 Nicholson Street,

Melbourne, VIC, 3002, Australia

Auditor

Grant Thornton Audit Pty Ltd

The Rialto, Level 30

525 Collins Street

Melbourne, VIC, 3000, Australia

Bankers

National Australia Bank

Level 2, 181 William Street,

Melbourne, VIC, 3000, Australia

Securities Exchange Listing

Imugene Limited shares are listed on the Australian Securities Exchange (Symbol: IMU)

Website and Email

www.imugene.com

Info@imugene.com

Directors' Report

The Directors of Imugene Limited ("IMU", "Imugene", or "the Company") and its controlled entities ("Group") provide the following report in relation to the Company and the Group for the half year ended 31 December 2013.

Directors

The following persons were Directors of the Company during the whole of the half-year and up to the date of this report, unless stated otherwise:

Current:

Mr Paul Hopper	Executive Chairman	Appointed:	31 October 2012
Dr Nicholas Ede	Executive Director	Appointed:	11 February 2013
Dr Axel Hoos	Non-Executive Director	Appointed:	20 December 2013

Former:

Mr Steve Harris	Non-Executive Chairman	Resigned:	20 December 2013

Company Secretaries

Justyn Stedwell	Company Secretary
Phillip Hains	Company Secretary & Chief Financial Officer (CFO)

Review and Results of Operations

Overview of activities 1 July 2013 to 31 December 2013

Major acquisition boosts gastric and breast cancer research

Our major news for the period under review was the acquisition of Biolife Science Qld Ltd which includes the development of HER-Vaxx, a proprietary HER2 +ve therapeutic cancer vaccine.

We also reported a loss for the half-year of $1,512,078 (2012: $1,235,999). The loss came after fully expensing all research and development costs.

HER-Vaxx

HER-Vaxx has successfully completed a Phase I study in breast cancer. The next stage of development will be a Phase II study in gastric cancer. This is now our core focus for the future.

Biolife Science and HER-Vaxx

We announced the sale and purchase agreement to acquire 100 percent of Biolife Science on 23 October 2013 last year, and completed the acquisition on 20 December 2013.

The acquisition means Imugene is now an immuno-oncology focused biopharmaceutical company. Our core clinical program is the development of HER2 +ve gastric and breast cancer vaccines.

Biolife Science had the rights to a novel HER2 +ve therapeutic cancer vaccine platform developed by scientists at the University Medical School in Austria. They had developed a peptide-based vaccine that induces a polyclonal antibody response against HER-2/neu associated tumours, including breast cancer and gastric cancer.

HER-2/neu is a known and validated receptor that is over-expressed on some cancerous tumours, including gastric, breast, ovarian and pancreatic cancers.

Commercial opportunities for Linguet under review

We are currently reviewing our options, including commercialization opportunities, for our Linguet drug delivery programs. We have held discussions for that purpose with interested companies for our Vitamin D product range, but have not yet concluded them.

Our core patent Therapeutic Formulations was granted in Japan, China, Europe and India. The patents provide protection around Linguet's™ formulations and other specific excipients for a class of drugs that prevent the loss of bone mass.

Known as bisphosphonic acids and bisphosphonates, they are used to treat conditions such as osteoporosis and multiple myeloma.

We also announced on 18 September 2013 that we were discontinuing development of our fast melt ibuprofen tablets.

HER-Vaxx the core focus in 2014-2016

Having already successfully completed a Phase I human study in breast cancer, we hope to begin a Phase II study in gastric cancer in 2015, subject to FDA approval.

We view HER-Vaxx as a highly promising new treatment option for gastric cancer patients, and are focused on developing it as a front line cancer therapy. In addition to gastric cancer, HER-Vaxx is potentially applicable to a wide range of cancer indications, including cancers of the breast, ovaries and pancreas.

Changes to board and management

On 20 December 2013, shareholders approved the appointment of Dr Axel Hoos (Global VP Oncology R&D at GlaxoSmithKline) to the board as non-executive director. Mr Steve Harris resigned as non-executive chairman. Mr Harris made an invaluable contribution to the Company as a director and provided dedicated leadership as chairman. Current non-executive director, Mr Paul Hopper, became executive chairman.

On 20 January 2013 this year, we announced the appointment of Professor Christoph Zielinski and Professor Ursula Wiedermann MD, PhD, to our Scientific Advisory Board.

Auditor's Independence Declaration

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

This Director's Report has been issued following a resolution of the Directors pursuant to section 306 (3) of the *Corporations Act 2001,* for an on behalf of the Board;

Dr Nicholas Ede
Executive Director
Imugene Limited

Dated: This the 27th Day of February 2014

Grant Thornton Audit Pty Ltd
ACN 130 913 594

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Auditor's Independence Declaration
To The Directors of Imugene Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Imugene Limited for the half-year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

b No contraventions of any applicable code of professional conduct in relation to the review.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M.A. Cunningham
Partner - Audit & Assurance

Melbourne, 27 February 2014

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half year ended 31 December 2013

	Note	31 December 2013 $ AUD	31 December 2012 $ AUD
Revenue			
Total revenue	2	6,827	14,871
Other income	2	-	3,417
Expenses			
Business development		(54,261)	-
Corporate administration expenses		(339,966)	(607,328)
Commercialisation expenses		(12,747)	(8,879)
Research and development expenses		(134,738)	(607,996)
Impairment expenses	2	(1,217,157)	-
Foreign exchange gain/(loss)		(7,996)	(30,084)
Fair value adjustment to financial liability		247,960	-
Loss before tax		**(1,512,078)**	**(1,235,999)**
Income tax expense		-	-
Net loss for the year		**(1,512,078)**	**(1,235,999)**
Other comprehensive income / (expense) for the year, net of tax		-	-
Total comprehensive loss for the year		**(1,512,078)**	**(1,235,999)**
Loss per share for the year attributable to members of Imugene Ltd:			
Basic loss per share (cents per share)		(0.35)	(0.40)
Diluted loss per share (cents per share)		(0.35)	(0.40)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 31 December 2013

	Note	31 December 2013 $ AUD	30 June 2013 $ AUD
ASSETS			
Current Assets			
Cash and cash equivalents		2,464,705	565,629
Trade and other receivables		78,841	53,522
Other		25,485	-
Total Current Assets		**2,569,031**	**619,151**
Non-Current Assets			
Goodwill		-	960,527
Intangible assets	4	7,347,942	1,004,817
Total Non-Current Assets		**7,347,942**	**1,965,344**
TOTAL ASSETS		**9,916,973**	**2,584,495**
LIABILITIES			
Current Liabilities			
Trade and other payables		345,325	160,991
Other financial liabilities	5	779,952	-
Provisions		11,611	5,571
Total Current Liabilities		**1,136,888**	**166,562**
Non-Current Liabilities			
Other financial liabilities	5	1,443,957	531,467
Total Non-Current Liabilities		**1,443,957**	**531,467**
TOTAL LIABILITIES		**2,580,845**	**698,029**
NET ASSETS		**7,336,128**	**1,886,466**
EQUITY			
Issued capital	6	24,241,812	17,280,072
Option reserve		966,003	966,003
Accumulated loss		(17,871,687)	(16,359,609)
TOTAL EQUITY		**7,336,128**	**1,886,466**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the half year ended 31 December 2013

	Note	Contributed Equity $ AUD	Share Based Payment Reserve $ AUD	Accumulated Losses $ AUD	Total $ AUD
Balance at 1 July 2012		**14,907,453**	**966,003**	**(14,800,043)**	**1,073,413**
Total comprehensive income/(loss) for the half year:		-	-	(1,235,999)	(1,235,999)
Transactions with Equity holders in their capacity as equity holders:					
Shares issued		2,350,000	-	-	2,350,000
Capital raising costs		(138,792)	-	-	(138,792)
Share based payment reserve		5,000	-	-	5,000
Balance at 31 December 2012		**17,123,661**	**966,003**	**(16,036,042)**	**2,053,622**
Balance at 1 July 2013		**17,280,072**	**966,003**	**(16,359,609)**	**1,886,466**
Total comprehensive income/(loss) for the half year:		-	-	(1,512,078)	(1,512,078)
Transactions with Equity holders in their capacity as equity holders:					
Shares issued		7,165,985	-	-	7,165,985
Capital raising costs		(204,245)	-	-	(204,245)
Balance at 31 December 2013		**24,241,812**	**966,003**	**(17,871,687)**	**7,336,128**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the half year ended 31 December 2013

	31 December 2013 $ AUD	31 December 2012 $ AUD
Cash flows from operating activities		
Payments to suppliers and employees	(559,803)	(1,333,507)
Interest received	6,827	14,857
Other income	-	266,672
Net cash inflows/(outflows) from operating activities	**(552,976)**	**(1,051,978)**
Cash flows related to investing activities		
Payment for the purchase of intellectual property	(65,000)	-
Loans to other entities	-	(33,508)
Acquisition of subsidiary, net of cash acquired	5,797	-
Net cash inflows/(outflows) from investing activities	**(59,203)**	**(33,508)**
Cash flows related to financing activities		
Proceeds from issues of equity securities	2,600,000	955,000
Capital raising costs	(88,745)	(138,792)
Net cash inflows/(outflows) from financing activities	**2,511,255**	**816,208**
Net increase/(decrease) in cash and cash equivalents	1,899,076	(269,278)
Cash and cash equivalents at the beginning of the period	565,629	1,016,748
Cash and cash equivalents at the end of the year	**2,464,705**	**747,470**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements for the period ending 31 December 2013

1. Summary of significant accounting policies

Statement of compliance

These financial statements are general purpose financial statements for the half-year reporting period ended 31 December 2013, which have been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

Basis of preparation

This half year report does not include full disclosures of the type normally included in an Annual Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group.

Accordingly, this financial report should be read in conjunction with the 2013 Annual Report for the year ended 30 June 2013 and any public announcements made by Imugene Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period.

• AASB10 'Consolidated Financial Statements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'

• AASB13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13', and

• AASB119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119' (2011)

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior periods.

The new and revised Standards and Interpretations have not had a material impact and not resulted in changes to the Group's presentation of, or disclosure in, its half-year financial statements.

Notes to the Consolidated Financial Statements for the period ending 31 December 2013

Going concern

Some of the risks inherent in the development of pharmaceutical product include the uncertainty of patent protection and proprietary rights, whether patent applications and issued patents will offer adequate protection to enable product development or may infringe intellectual property rights of other parties, and obtaining the necessary drug clinical regulatory authority approvals. Also a particular project may fail the research and the clinical development process through lack of efficacy or safety, or maybe stopped or abandoned due to strategic imperatives including an assessment that the projects will not deliver a sufficient return on investment or have been superseded by newer competitive products or technologies. There is a risk that the Group will be unable to find suitable development or commercial partners for its projects, and that these arrangements may not generate a material return for the Group.

Based on current budget forecast assumptions, the Group has sufficient funds to meet current commitments and to pay its debts when they fall due for a period of 12 months from signing the financial report. Additional funds will need to be accessed however to progress the Group's research & development programs. The ability of the Group to successfully access additional capital, and the amount of additional funds required is dependent on the outcome of its product research & development programs.

Notwithstanding the material uncertainty pertaining to the ability of the Group to continue to access additional capital, the financial statements have been prepared on a going concern basis. Accordingly the financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts, or the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

2. Revenue / Expenses

	Consolidated	
	31 December 2013	**31 December 2012**
	$ AUD	**$ AUD**
Income		
Revenue		
Interest received	6,827	14,871
	6,827	14,871
Other income		
Other income	-	3,417
	-	3,417
Expenses		
Impairment of intangible assets	(1,217,157)	-

Notes to the Consolidated Financial Statements for the period ending 31 December 2013

3. Segment Information

Management has determined, based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions, that the Group has one reportable segment being the research, development and commercialisation of health technologies.

	Consolidated	
	31 December 2013 $ AUD	**31 December 2012 $ AUD**
Reportable segment revenue		
Revenue, including interest income, is disclosed below based on the reportable segment:		
Revenue from other corporate activities	6,827	18,288
	6,827	18,288
Reportable segment assets		
Assets are disclosed based on the reportable segment:		
Asset from research, development and commercialisation	7,347,942	1,830,706
Assets from other corporate activities:		
Cash and cash equivalents	2,464,705	747,470
Other corporate assets	104,326	42,220
	9,916,973	2,620,396
Reportable segment liabilities		
Liabilities are disclosed based on the reportable segment:		
Liabilities from research, development and commercialisation	2,223,909	556,078
Liabilities from other corporate activities:		
Other corporate liabilities	356,936	10,696
	2,580,845	566,774
Reportable segment profit/ (loss)		
Profit/ (loss) are disclosed below based on the reportable segment:		
Profit/ (loss) from research, development and commercialisation	(201,746)	(1,134,281)
Profit/ (loss) from other corporate activities	(1,310,332)	(35,718)
	(1,512,078)	(1,169,999)

Notes to the Consolidated Financial Statements for the period ending 31 December 2013

4. Intangible Assets

		Consolidated	
	Note	31 December 2013 $ AUD	30 June 2013 $ AUD
Patents, licenses and other rights			
Opening cost		4,032,737	3,027,920
Additions	7, (i)	6,599,755	1,004,817
Closing cost		10,632,492	4,032,737
Accumulated amortisation and impairment			
Accumulated amortisation at the start of the year		(3,027,920)	(3,027,920)
Impairment charge	(ii)	(256,630)	-
Accumulated amortisation at the end of the year		(3,284,550)	(3,027,920)
Closing net book amount		7,347,942	1,004,817
Goodwill			
Opening cost		960,527	-
Additions		-	960,527
Impairment charge	(iii)	(960,527)	-
Closing cost		-	960,527

(i) On 20 December 2013, the Company acquired 100% of the issued shares of Biolife Science Qld Ltd. The assets acquired include 'HER-Vaxx' the novel cancer immunotherapy platform.

For further details, please refer to Note 7 Business Combination.

(ii) In the absence of readily available market prices, the recoverable amounts of the intangible assets are determined based on a discounted cash flow model, using estimates of the present value of future cash flows using asset-specific discount rates.

At 31 December 2013, the Board has reviewed the assumptions used in the discounted cash flow model that was used to evaluate the carrying value of the Linguet Patented Buccal Delivery intellectual property and have resolved to impair the carrying value to $748,187.

(iii) At 31 December 2013, the Board has reviewed the assumptions of the goodwill associated with the Lingual Patented Buccal Delivery technology and have resolved to impair the carrying value to nil.

Notes to the Consolidated Financial Statements for the period ending 31 December 2013

5. Other Financial Liabilities

	Note	Consolidated 31 December 2013 $ AUD	30 June 2013 $ AUD
Current			
Amount owing - HER-Vaxx	(i)	779,952	-
		779,952	
Non-Current			
Expected future royalties payable - Linguet	(ii)	283,507	531,467
Expected future royalties payable - HER-Vaxx	(iii)	985,450	-
Amount owing - HER-Vaxx	(i)	175,000	-
		1,443,957	531,467

(i) Represents the amounts owing to Biolife Science Forschungs-und Entwicklungsges m.b.HH (BSFE) and Pevion Biotech AG for the 'HER-Vaxx' intellectual property. These amounts consist of the cash components of the respective intellectual property agreements.

(ii) Refers to 15% royalties payable to Linguet Intellectual Property founders that arose on acquisition of Lingual Consegna Pty Ltd.

This amount has been adjusted to fair value, taking into account comparable licensing transactions as well as considering other data. The NPV of $283,507 is determined using an expected future royalty stream of $500,000 per annum for a period of 5 years with a terminal value, discounted using a rate of 25%.

(iii) Represents fair value estimate of royalties payable to BSFE on commercial income arising from Her-Vaxx. The amount has been estimated based the implied value of the intangible as referenced by the recent purchase.

6. Issued Capital

Movements in equity during the half year ended 31 December 2013 and prior year are as follows:

	Note	31 December 2013 No.	31 December 2013 $ AUD	30 June 2013 No.	30 June 2013 $ AUD
Ordinary shares	(a)	946,562,516	24,236,812	376,162,516	17,275,072
Options	(b)	50,000,000	5,000	50,000,000	5,000
Total at reporting date			24,241,812		17,280,072

Notes to the Consolidated Financial Statements for the period ending 31 December 2013

6. Issued Capital (continued)

(a) Ordinary Shares

		31 December 2013		30 June 2013	
		No.	$ AUD	No.	$ AUD
At the beginning of the period		376,162,516	17,275,072	143,637,220	14,907,453
Share issued during the period	(i)	570,400,000	6,961,740	232,525,296	2,367,619
Total at reporting date		946,562,516	24,236,812	376,162,516	17,275,072

(i) 2013	**Details**	**Number**	**Issue price $ AUD**	**$ AUD**
4/09/2013	Shares issued to corporate consultants	2,000,000	0.005	10,000
30/10/2013	Private Placement to sophisticated investors	85,000,000	0.010	850,000
30/10/2013	Shares issued to corporate consultants	2,400,000	0.007	15,988
9/12/2013	Shares issued to corporate consultants	6,000,000	0.007	39,997
20/12/2013	Private Placement to sophisticated investors (balance of $2.6M approved at EGM)	175,000,000	0.010	1,750,000
20/12/2013	Shares issued for acquisition of Biolife Science Qld Ltd (Escrow)	300,000,000*	0.015	4,500,000
	Less capital raising costs			(204,245)
		570,400,000		**6,961,740**

*The 300,000,000 ordinary shares issued to the vendors of Biolife Science Qld Limited are subject to escrow until 20/12/2014.

Rights of each type of shares:

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting or by proxy, is entitled to one vote. Upon a poll every holder is entitled to one vote per share held.

(b) Options

	31 December 2013		30 June 2013	
	No.	$ AUD	No.	$ AUD
At the beginning of the period	50,000,000	5,000	-	-
Options issued during the period	-	-	50,000,000	5,000
Total at reporting date	50,000,000	5,000	50,000,000	5,000

No options were exercised during the half year.

7. Business Combination

On 20 December 2013, the Company acquired 100% of the issued shares of Biolife Science Qld Ltd, a Company which holds ‘HER-Vaxx’, the novel cancer immunotherapy platform.

Details of the acquisition are as follows:

(a) Consideration

	$AUD
Ordinary Shares 300,000,000 in Imugene Ltd at $0.015 per share*	4,500,000
Total purchase consideration	**4,500,000**

* The issue price is based on the closing share price of Imugene Limited shares quoted on the ASX on the date of acquisition (20 December 2013).

(b) Fair Values

Details of the fair values at the date of acquisition are set out below:

	Book value	Fair value adjustments	Total
	$AUD	$AUD	$AUD
Assets			
Cash and cash equivalents	5,797	-	5,797
Trade and other receivables	44,273	-	44,273
Intangible assets	1,125,032	5,474,723	6,599,755
Total Assets	**1,175,102**	**5,474,723**	**6,649,825**
Liabilities			
Trade and other payables	(39,343)	-	(39,343)
Other financial liabilities – current	(950,032)	-	(950,032)
Other financial liabilities – non-current	(175,000)	-	(175,000)
Expected future royalties – non-current	-	(985,450)	(985,450)
Total Liabilities	**(1,164,375)**	**(985,450)**	**(2,149,825)**
Fair value of identifiable net assets	**10,727**	**4,489,273**	**4,500,000**
Total purchase consideration	**-**	**-**	**4,500,000**

In accordance with the Accounting Standard AASB 3 ‘Business Combinations’, the Group is able to provisionally determine the initial accounting for the acquisition. In line with the Group’s accounting policies the intangible assets have been provisionally determined based on the directors’ best estimate of the likely fair value at $4,500,000.

The acquired business contributed $11,226 to the loss for the 2013 half-year. Had the acquisition been effected at 1 July 2013, the loss from continuing operations for the six months ended 31 December 2013 would have decreased by a total of $10,911. The directors of the Group consider these ‘pro-forma’ numbers to represent an approximate measure of the performance of the combined group.

Notes to the Consolidated Financial Statements for the period ending 31 December 2013

8. Related Party Disclosure

On 20 December 2013, the company acquired 100% of Biolife Science Qld Limited, a company associated with director, Paul Hopper. The issue of shares to Paul Hopper as consideration for the acquisition was approved by shareholders at the General Meeting of Shareholders held on 20 December 2013.

9. Events Subsequent to Reporting Date

No significant events have occurred since reporting date that has not been disclosed elsewhere in this report.

10. Contingencies

The Group has no contingent assets or liabilities at reporting date (2012: none).

Directors' Declaration

The Directors of the Company declare that:

a. The financial statements and the accompanying notes set out on pages 6 to 17, are in accordance with the Corporations Act 2001, including:

   i. complying with Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   ii. giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2013 and of its performance for the half year ended on that date.

b. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

c. the financial statements and accompanying notes are prepared in compliance with Accounting Standard AASB 134 'Interim Financial Reporting'.

This declaration is made in accordance with a resolution of the Board of Directors.

Dr Nicholas Ede
Executive Director

27th February 2014

Melbourne, Australia

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Independent Auditor's Review Report
To the Members of Imugene Limited

We have reviewed the accompanying half-year financial report of Imugene Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2013, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of Imugene Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Imugene Limited consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Imugene Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Imugene Limited is not in accordance with the Corporations Act 2001, including:

a giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M.A. Cunningham
Partner - Audit & Assurance

Melbourne, 27 February 2014