



ASX Release

Viralytics Completes \$4 Million Share Purchase Plan; Raises Total of \$32.4 Million

25 January 2016, Sydney, Australia: [Viralytics Limited](#) (ASX: VLA, OTC: VRACY) today announced the result of the company's share purchase plan (SPP), which closed on 21 January 2016.

Following applications well in excess of \$10 million and a scale back the SPP raised a total of \$4 million with approximately 6.5 million shares, at \$0.615 per share, to be issued to retail investors. This is in addition to the successful placement that raised \$28,362,736 at the same price per share, announced on 14 December 2015. That financing attracted a range of specialist healthcare investment funds, including a substantial commitment from OrbiMed Advisors, a new participant.

The funds from this capital raise will enable Viralytics to more rapidly advance its broad clinical programme for CAVATAK™, an oncolytic virus and the company's lead product candidate. Specifically, Viralytics plans to accelerate the STORM study assessing intravenously delivered CAVATAK in combination with KEYTRUDA®¹ in late-stage bladder and lung cancer patients, complete the Phase 1 CANON trial in patients with non-muscle invasive bladder cancer, and complete the Phase 1b CAPRA and MITCI studies in melanoma patients assessing intratumourally administered CAVATAK in combination with the checkpoint inhibitors, KEYTRUDA and YERVOY®², respectively. The funds will also enable initiation of further clinical trials, including a study to assess CAVATAK delivered intravenously in combination with a checkpoint inhibitor³ in melanoma patients, and studies in other cancer types. Funds will also be applied to the manufacture of CAVATAK for use in clinical trials and used as general working capital.

"This successful capital raise places Viralytics in a position of financial security from which we can continue to build our clinical programme while also increasing our engagement with major pharmaceutical entities," said Viralytics' Chief Executive Officer Dr Malcolm McColl. "On behalf of the board, I would like to thank those investors who participated in the share purchase plan for their ongoing support of our company."

¹ KEYTRUDA® is a trademark of Merck and Company Inc

² YERVOY® is a trademark of Bristol-Myers Squibb Company

³ Checkpoint inhibitors are an important new class of anticancer agent that take the brakes off the immune response to cancer and have application across a broad range of cancer types including melanoma, lung and bladder cancer. They include the anti-PD1 antibodies such as pembrolizumab (Keytruda, Merck) and the anti-CTLA4 antibodies such as ipilimumab (Yervoy, Bristol Myers Squibb). Analysts forecast these 3 agents may achieve total annual revenues of more than US\$20Bn by 2020.



Allotment date for the new shares is 27 January 2016.

About VIRALYTICS and CAVATAK™

Viralytics is developing oncolytic immunotherapy treatments for a range of cancers. The company's lead investigational product, CAVATAK™, is currently being studied in Phase 1 and 2 clinical trials for the treatment of melanoma, as well as prostate, bladder and lung cancers. Intratumoural, intravenous and intravesicular delivery routes are under investigation. Two combination studies with checkpoint inhibitors are underway in late-stage melanoma patients. A combination study of CAVATAK with KEYTRUDA in late-stage lung and bladder cancer patients will commence in 2016.

Further details on our clinical and pre-clinical data can be found on our website at the following locations:

<http://www.viralytics.com/our-pipeline/clinical-trials/>

CAVATAK is a proprietary formulation of the common cold Coxsackievirus Type A21 (CVA21) that preferentially binds to specific 'receptor' proteins highly expressed on multiple cancer types. CAVATAK acts to kill both local and metastatic cancer cells through cell lysis and the potential generation of an immune response against the cancer cells – a two-pronged mechanism of action known as oncolytic immunotherapy.

Based in Sydney Australia, the company is listed on the Australian Securities Exchange (ASX: VLA) while Viralytics' ADRs also trade under VRACY on the US OTCQX International market. For more information, please visit www.viralytics.com.

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