



ASX and Media Release

Update on scheme of arrangement

23 May 2018, Sydney, Australia: [Viralytics Limited](#) (ASX: VLA, OTCQX: VRACY) refers to the previously announced proposed Scheme of Arrangement (**Scheme**) by which Merck Sharp & Dohme Australia (Holdings) Pty Ltd (**MSD**) proposes to acquire 100% of the ordinary shares in Viralytics.

Viralytics is pleased to announce that MSD has received notice that the Australian Foreign Investment Review Board (FIRB) has decided that the Commonwealth of Australia has no objection to MSD acquiring all of the ordinary shares in Viralytics.

MSD has also informed Viralytics that no objections have been raised by US authorities on the HSR (Hart Scott Rodino) filing required for the Scheme.

About Viralytics Ltd

Viralytics is developing oncolytic immunotherapy treatments for a range of cancers. The company's lead investigational product, CAVATAK[®], is currently being studied in clinical trials for the treatment of melanoma, as well as bladder and lung cancers. 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. On 21 February 2018 the company announced a Scheme of Arrangement by which Merck Sharp & Dohme Australia (Holdings) Pty Ltd (**MSD**) proposes to acquire 100% of the ordinary shares in Viralytics. For more information, please visit www.viralytics.com.

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