

4 June 2018

The Manager
Company Announcements Office
ASX Limited
Level 4, 20 Bridge St
Sydney NSW 2000

Federal Court of Australia approves scheme of arrangement

The Federal Court of Australia (**Court**) has today made orders approving the scheme of arrangement between Viralytics Limited (ASX: VLA) (**Viralytics**) (**Scheme**) and its shareholders (**Court Orders**). The Scheme, upon implementation, will result in Merck Sharp & Dohme (Holdings) Pty Ltd ACN 000 235 245 (**MSD**) (a wholly owned subsidiary of Merck & Co., Inc.) acquiring all of the shares in Viralytics.

Viralytics expects to lodge a copy of the Court Orders with the Australian Securities and Investments Commission on 5 June 2018, at which time the Scheme will become effective. If this occurs, Viralytics will also apply for its shares to be suspended from trading at the close of trade on the ASX on 5 June 2018.

Key dates for implementation of the Scheme are set out below:

Key dates	
Effective Date: <ul style="list-style-type: none">- Court order lodged with the Australian Securities and Investments Commission and announced to ASX- Last day of trading in Viralytics shares on ASX (with shares suspended from close of trading)	Tuesday, 5 June 2018
Record date for determining entitlements to scheme consideration	5.00pm on Tuesday, 13 June 2018
Implementation date (for payment of the Scheme Consideration)	Tuesday, 20 June 2018

All dates are indicative only and are subject to change as agreed between Viralytics and MSD and announced to ASX.

Yours sincerely



Sarah Prince
Company Secretary

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.

Enquiries:

Dr Malcolm McColl
Chief Executive Officer
02 9988 4000

Mr Robert Vickery
Chief Financial Officer
02 9988 4000