



## **ANNUAL GENERAL MEETING**

**23 NOVEMBER 2016**

### **CHAIRMAN'S ADDRESS**

Dear Fellow Shareholders

The financial year ended 30 June 2016 was the most successful in Viralytics' history across many fronts. Major milestones were met in the clinical development of our lead drug candidate, CAVATAK. We initiated a key clinical collaboration and significantly strengthened our financial position.

Based on the growing promise of CAVATAK, we were able to attract an important clinical development partner in Merck & Co., Inc. (MSD outside the US and Canada), with whom we have launched the Keynote 200 trial assessing the combination of CAVATAK and Merck's checkpoint inhibitor KEYTRUDA in patients with advanced lung or bladder cancer. Establishing this partnership was a key milestone for Viralytics, and we believe it augers well for future big pharma collaborations.

Since the release of our 2016 Annual Report we have reported promising clinical data from two trials combining CAVATAK with checkpoint inhibitors in late stage melanoma patients. Previously we completed our most advanced clinical program, a Phase 2 trial in melanoma, known as CALM, and presented updated results at the American Society for Clinical Oncology (ASCO) in June where we garnered favourable scientific and investor attention. The broadening of our clinical program continues. Trials to explore CAVATAK's potential in combination with checkpoint inhibitors are underway, or planned, across a range of cancer indications, including melanoma.

In January 2016 Viralytics completed a \$32 million capital raising largely from leading US life science funds. This has placed the company on a solid financial footing as we continue to compile a compelling body of clinical data that will drive future partnering discussions and increase shareholder value.

Interest in cancer immunotherapy, including oncolytic viruses, has gathered momentum in recent years, with the scientific community and big pharma now recognising the enormous potential of harnessing oncolytic viruses in the fight against cancer.



The stewardship of your company is in solid hands. Our CEO, Dr Malcolm McColl, leads the Viralytics team with great skill and is well regarded by the international investment and scientific community. Professor Darren Shafren, our Chief Scientific Officer and founder of the technology, has provided visionary scientific leadership. Global interest in oncolytic viruses is testament to his tenacity and faith in the CAVATAK technology.

We look forward to the coming year with confidence. On behalf of the Board, I thank our management team and loyal shareholders for their continued support.

Paul A. Hopper

Chairman