



ASX and Media Release

Viralytics Receives \$2.9 Million R&D Tax Incentive

9 December 2015, Sydney, Australia: Viralytics Limited (ASX: VLA, OTC: VRACY) has received \$2.9 million from the Australian Taxation Office under the Research and Development Tax Incentive Programme relating to the financial year ending 30 June 2015.

The funds will contribute towards advancing the clinical trial programme in the US and UK assessing CAVATAK™ in 5 clinical trials including combination studies with other cancer immunotherapies and in a range of significant cancer indications. Further details on the clinical development programme are available in the Annual General Meeting presentation available on the home page of our website.

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/>
<http://www.viralytics.com/our-pipeline/pre-clinical-studies/>
<http://www.viralytics.com/our-pipeline/scientific-presentations/>
<http://www.viralytics.com/our-pipeline/scientific-publications/>

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.

Viralytics Investor/Media Contact:

Dr Malcolm McColl
Managing Director
+61 2 9988 4000

Mr Rudi Michelson
Monsoon Communications
+61 3 9620 3333