ASX / Media Release
28th January 2016

Quarterly Cash flow Report
Quarter ended 31 December 2015

Sydney, Australia – 28 January 2016: OncoSil Medical Ltd (ASX: OSL) (**Oncosil** or the **Company**), a late stage medical devices company focused on localised treatments for patients with pancreatic and liver cancer, today released its Appendix 4C – Quarterly Cashflow report for the quarter ended 31 December 2015 (the **Quarter**).

Highlights for the Quarter

- CE Mark review for European approval of OncoSil™ fast tracked and well advanced
- Investigational Device Exemption (**IDE**) lodged with US Food and Drug Administration (**FDA**)
- Board regeneration commenced with Dr Chris Roberts (ex Cochlear CEO) appointed director
- Management team strengthened in preparation for commercial launch of OncoSil™
- Net Cash inflow of $0.8m for the Quarter and closing cash balance of $5.8m.

Key Points – Operational

During the Quarter, the Company progressed towards the commercial launch of its lead product, OncoSil™ and made a number of considerable advances.

The key driver to commercialisation is achievement of the CE Mark application for OncoSil™ in the European Union, for the treatment of pancreatic and primary liver cancer. CE Mark is also intended to also support regulatory approvals in other non-US markets including Australia, Singapore and Canada. Working with the Company's notified body, BSI, the Company was granted EU Fast-Track Review status for its CE Mark application in September 2015 and this Fast-Track Review was undertaken with BSI on early October 2015. There are several follow up items being reviewed by BSI in connection with a final decision on the CE Mark, expected in Q1.

In preparation for this intended commercial launch upon a CE Mark, the Company has expanded its management team in key areas:

- Mr Tom Milicevic has been appointed Chief Financial Officer and Company Secretary and brings over 20 years of commercial, financial and management experience in listed and medical device companies including Cochlear, Avantogen and Allegra;
- Mr David James was appointed as Global Head of Manufacturing, with over 20 years of pharmaceutical manufacturing expertise, including 6 years as Global Operations Manager for Sirtex Medical where he managed production, logistics, customer service and engineering;
- Mr Charles Rowland became President of US Operations, in support of the US clinical and regulatory activities, including the recently filed IDE. Mr Rowland is a highly successful healthcare executive including a 4 year tenure as President of Sirtex Medical US where he grew the Sirtex US business to almost $20m in revenues.

As the Company expands and develops its future strategies, a process of Board regeneration has commenced. We were delighted to welcome Dr Chris Roberts to the board as an Independent Non-executive Director. Dr Roberts has had a highly successful career in the medical device sector including 11 years as Chief Executive Officer of Cochlear Limited where he was responsible for a growth in sales from $0.35B to $0.93B. The Company looks forward to benefiting from his invaluable contribution at board level.

Another important milestone during the Quarter was the filing of an IDE application with the FDA in December 2015. The IDE filing followed a lengthy pre-IDE process with the FDA including endorsement of the Company's proposed clinical endpoints for the US Study of OncoSil™, to be known as the OncoPac-1 Trial. The timeframe for consideration of the IDE application is regulated and the Company expects to hear a response from the FDA this quarter.

OncoSil Chief executive Officer, Daniel Kenny commented:

"*This last Quarter has been an extraordinarily busy and productive time for the Company. Our key focus in the shorter term is to achieve the CE Mark and enable commercial launch and first sales. We believe that Fast-Track Review and ensuing process was productive and we remain optimistic about a favourable decision in Q1 on the CE Mark. The plans we have been putting in place internally, including the key management hires, should help us to be in a position to launch promptly, upon a favourable CE Mark decision. In addition, we view the IDE filing as a key step towards our longer term vision to be able to treat cancer patients with OncoSil in the world's largest market, the United States.*"

Key Points – Financial

During the Quarter, the Company received $1.5m under the R&D tax incentive scheme. A further $1.0m in share capital was raised during the Quarter, on conversion of employee and other options.

The total expenses during the Quarter were $1.78m with the largest component being $1.0m for research and development, primarily related to the CE Mark process and IDE application.

The Company's net cash inflow for the Quarter was $0.8m and cash outflow for operations alone was $0.2m. The Company's cash balance as at 31 December 2015 was $5.8m.

FOR FURTHER INFORMATION CONTACT:

INVESTOR ENQUIRIES:
Mr Daniel Kenny
Chief Executive Officer and Managing Director
E: daniel.kenny@oncosil.com.au
T: +61 2 9223 3344

MEDIA ENQUIRIES:
James Moses
Mandate Corporate
E: james@mandatecorporate.com.au
M: +61 420 991 574
T: +61 2 8211 0612

About OncoSil Medical Ltd

OncoSil Medical Ltd (OncoSil Medical) is a clinical-stage Australian Lifesciences company with the aim is to provide new technologies for safer medical radiation treatments. OncoSil Medical's lead product is OncoSil™ with the first target indication being pancreatic cancer. OncoSil™ is a silicon and P32 (phosphorus) pure beta emitter with the potential to be used medically as a brachytherapy treatment. The OncoSil™ device delivers more concentrated and localised beta radiation compared to external beam radiation. OncoSil Medical has previously conducted four clinical trials with encouraging results on tolerability, safety and efficacy. There is also potential use for OncoSil™ in other solid tumours outside of pancreatic cancer. FDA and CE Mark approval for pancreatic cancer is the core focus of OncoSil Medical.

Pancreatic Cancer

Pancreatic cancer is typically diagnosed at a later stage, when there is a poor prognosis for long-term survival. The World Cancer Research Fund estimated that in 2012 338,000 people globally were diagnosed with pancreatic cancer. The prognosis for patients diagnosed with pancreatic cancer, regardless of stage, is generally poor; the relative five-year survival rate for all stages combined is approximately 5%. The estimated world-wide market opportunity for OncoSil™ in pancreatic cancer exceeds $1b.

Hepatocellular carcinoma liver cancer

Hepatocellular carcinoma (HCC) is the 6th most common cancer in the world with 782,000 new cases diagnosed in 2012. It's very poor prognosis makes HCC the third leading cause of cancer related mortality responsible for approximately 600,000 deaths annually. Hepatocellular carcinoma can be cured by surgery or transplantation. The vast majority of patients with HCC have disease which is too advanced for surgical intervention and as a consequence survival ranges from a few months to two or more years depending on the liver function at diagnosis and the extent of tumour invasion. The value of the hepatocellular cancer (HCC) market is expected to triple in size to $1.4b by 2019.

ONCOSIL MEDICAL LIMITED ABN 89 113 824 141 ASX | OSL
Suite 807, Level 8, 1 Alfred Street Sydney NSW 2000 AUSTRALIA
TELEPHONE +61 2 9223 3344 FACSIMILE +61 2 9252 3988
WEB www.oncosil.com.au

Rule 4.7B

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity
OncoSil Medical Limited

ABN	Quarter ended ("current quarter")
89 113 824 141	**31 December 2015**

Consolidated statement of cash flows

	Cash flows related to operating activities	**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.1	Receipts from customers	0	0
1.2	Payments for (a) staff costs	(574)	(1,006)
	(b) advertising and marketing	(2)	(7)
	(c) research and development	(982)	(1,550)
	(d) leased assets	0	0
	(e) other working capital	(222)	(346)
1.3	Dividends received	38	55
1.4	Interest and other items of a similar nature received	18	37
1.5	Interest and other costs of finance paid	0	0
1.6	Income taxes refunded	1,535	1,535
1.7	Other (provide details if material)	9	(25)
	Net operating cash flows	**(180)**	**(1,307)**

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

		Current quarter $A'000	Year to date (6 months) $A'000
1.8	Net operating cash flows (carried forward)	(180)	(1,307)
	Cash flows related to investing activities		
1.9	Payment for acquisition of:	0	0
	(a) businesses (item 5)	0	0
	(b) equity investments	0	0
	(c) intellectual property	0	0
	(d) physical non-current assets	(11)	(11)
	(e) other non-current assets	0	0
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	0	0
	(b) equity investments	0	0
	(c) intellectual property	0	0
	(d) physical non-current assets	0	0
	(e) other non-current assets	0	0
1.11	Loans to other entities	0	0
1.12	Loans repaid by other entities	0	0
1.13	Other (provide details if material)	0	0
	Net investing cash flows	**(11)**	**(11)**
1.14	**Total operating and investing cash flows**	**(191)**	**(1,318)**
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	975	1,038
1.16	Proceeds from sale of forfeited shares	0	0
1.17	Proceeds from borrowings	0	0
1.18	Repayment of borrowings	0	0
1.19	Dividends paid	0	0
1.20	Other – Share Issue Costs	0	0
	Net financing cash flows	**975**	**1,038**
	Net increase (decrease) in cash held	**784**	**(280)**
1.21	Cash at beginning of quarter/year to date	5,055	6,120
1.22	Exchange rate adjustments	5	4
1.23	**Cash at end of quarter**	**5,844**	**5,844**

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	50
1.25	Aggregate amount of loans to the parties included in item 1.11	0

1.26 Explanation necessary for an understanding of the transactions

The amount disclosed is all payments made to directors and related parties in the quarter. The full amount is included in the total at 1.2(a).

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

NIL

Financing facilities available
Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	n/a	n/a
3.2	Credit standby arrangements	n/a	n/a

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

	Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	**Current quarter $A'000**	**Previous quarter $A'000**
4.1	Cash on hand and at bank	2,271	1,492
4.2	Deposits at call	3,573	3,563
4.3	Bank overdraft	0	0
4.4	Other (provide details)	0	0
	Total: cash at end of quarter (item 1.23)	**5,844**	**5,055**

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	**Disposals (Item 1.10(a))**
5.1	Name of entity	n/a	n/a
5.2	Place of incorporation or registration	n/a	n/a
5.3	Consideration for acquisition or disposal	n/a	n/a
5.4	Total net assets	n/a	n/a
5.5	Nature of business	n/a	n/a

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 28/01/2016
Chief Financial Officer & Company secretary

Print name: Tom Milicevic

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.

3. Accounting Standards. ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.