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Company Announcements Office
Australian Securities Exchange

Key USA patent granted for Accugen's platform nucleic acid quantitation technology

Australian drug development company, Vectus Biosystems Limited (ASX:VBS) (Vectus or the Company), is pleased to announce that its wholly owned subsidiary, Accugen Pty Ltd, has been granted a patent by the United States Patent and Trademark Office (USPTO) for its platform quantitative technology useful in gene expression studies, US9,238,831 entitled "Improved Nucleic Acid Quantitation Method". This patent protects important innovative improvements in the technology for nucleic acid quantitation, providing the Company with a valuable tool for efficient, high-throughput analysis and quantitation of gene expression. This complements and expedites existing in house research and drug development programs. The patent is a valuable addition to the Company's existing intellectual property portfolio which comprises 10 patent families.

The grant of this USA patent is an important milestone for the Company and its advanced program of commercialisation of this technology. Commenting on the patent the Company's CEO, Dr Karen Duggan, said: "the patent is a valuable addition to the Company's existing intellectual property portfolio in that it provides broad protection for a novel approach to study of gene expression and gene quantitation using qPCR (quantitative polymerase chain reaction), a technique that is used by most molecular biology laboratories world-wide. This patent provides exclusivity in the world's largest single market for this technology. Patents in this family have also been allowed or granted in eight other jurisdictions. A second family of patent applications owned by Accugen will protect further improvements in this technique."

Vectus Biosystems Limited

Karen Duggan

Chief Executive Officer and Executive Director

About Vectus Biosystems Limited

Vectus Biosystems Limited is developing a treatment for fibrosis and high blood pressure, which includes the treatment for three of the largest diseases in the fibrotic market, namely heart, kidney and liver disease. Vectus successfully completed its Initial Public Offering (IPO) on the Australian Securities Exchange (ASX) and commenced trading on ASX on 23 February 2016, after raising A\$5.1 million. Funds from the IPO will be used to develop the Company's lead compound VB0004, which aims to treat the hardening of functional tissue and high blood pressure. The Company has conducted a range of successful pre-clinical trials, which have shown that VB0004 slows down the advances of fibrosis, potentially repairs damaged cell tissue and reduces high blood pressure. VB0004 is now progressing towards a number of important milestones, including pharmaceutical scale-up and additional toxicity studies. Successful results will provide Vectus with a clear path to Human Phase 1 and 2a Clinical Trials. The Company's strategy is to develop and perform early validation of its drug candidates to the point where they may become commercially attractive to potential pharmaceutical partners.

The Company has also developed technology aimed at improving the speed and accuracy of measuring the amount of DNA and RNA in samples tested in laboratories. The technology, called Accugen, is owned by Vectus' wholly-owned subsidiary Accugen Pty Limited. The technology potentially offers a time, cost and accuracy benefit compared to currently available systems. Vectus' next stage of investment in Accugen will focus on an Alpha-phase test program during 2016 before moving to a commercialisation program that may include direct sales, distribution partnerships and licensing opportunities.

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