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Company Announcements Office
Australian Securities Exchange

TechVoucher Awarded to Accugen

Australian drug development company, Vectus Biosystems Limited (ASX:VBS) (Vectus or the Company) is pleased to announce that its wholly-owned subsidiary, Accugen Pty Limited (Accugen), has been awarded a TechVoucher by the New South Wales Department of Industry, Skills and Regional Development (NSW DISRD) to subsidise a project in conjunction with the National Measurement Institute (NMI). Administered by the NSW DISRD, TechVouchers are competitive grants that co-fund research collaboration between NSW small-to-medium enterprises (SMEs) and public sector research organisations (PSROs).

Accugen has developed a system for absolute quantitation of products in the quantitative-polymerase chain reaction (qPCR). qPCR is a technique that is fundamental to molecular diagnostics, pharmaceutical research, agriculture, medicine and other life sciences. Current methods for quantitation in qPCR rely on the use of external reference genes or amplified standard curves, both of which have well-known problems and biases. Accugen's patented technology provides absolute quantitation of qPCR products that addresses these issues. It is essential that the concentration of the calibrators used for quantitation are known as precisely and reproducibly as possible to ensure production of accurate results by consumers. As a recognised world leader in measurement, the NMI has the expertise and capacity to provide this service to Accugen. This project represents a significant step in the development of Accugen's quality assurance and quality control programme prior to a significant beta site programme and commercial launch.

Vectus recently announced that a patent had been granted to Accugen by the United States Patent and Trademark Office (USPTO) providing exclusivity in the world's single largest market for qPCR technology. Patents in this family have also been allowed or granted in eight other jurisdictions.

Vectus Biosystems Limited

Karen Duggan

Chief Executive Officer and Executive Director

About Vectus Biosystems Limited

Vectus Biosystems Limited (Vectus or the Company) 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 are being used to develop the Company's lead compound VB0004, which aims to treat the hardening of functional tissue and high blood pressure. Vectus 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 the Company with a clear path to Human Phase 1 and 2a Clinical Trials. Vectus' 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. The Company's next stage of investment in Accugen will focus on an Alpha-phase test programme during 2016 before moving to a commercialisation programme that may include direct sales, distribution partnerships and licencing opportunities.

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