



ASX and Media Release

Viralytics completes \$27m fund raising *Strong Institutional Presence on Register*

13 March 2014, Sydney, Australia: Viralytics Limited (ASX:VLA, OTC:VRACY) welcomes 12 new specialist healthcare institutional investors as shareholders as part of its now completed \$27.1 million capital raising.

The capital raised will fully fund the company through 2016 including its clinical trial programs. Viralytics currently has a Phase II intratumoural trial in melanoma patients (CALM trial) and a Phase I/II intravenous trial in solid cancer types (STORM trial) ongoing. A randomised melanoma clinical trial is currently in development. The studies are evaluating the company's lead product CAVATAK™ in late-stage cancer patients.

Bell Potter Securities Limited acted as the Lead Manager of the equity offering with Roth Capital Partners acting as the Sole US Placement Agent. 97 million shares at \$0.28 per share were issued in this offering.

Dr Malcolm McColl, CEO, said, "We are delighted with the strong support from existing shareholders, both in regards to this transaction and the company's clinical development plans."

"With important additional capital resources we plan to build further shareholder value by generating new clinical data for CAVATAK™ across a number of cancer types. This transformational capital raising places us in an excellent position to execute against our near and long-term goals."

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About Viralytics Ltd:

Viralytics is developing oncolytic immunotherapy treatments for a range of cancers. Viralytics' lead product, CAVATAK™, is a proprietary formulation of the common cold Coxsackievirus Type A21 (CVA21). CVA21 binds to specific 'receptor' proteins highly expressed on multiple cancer types including, but not limited to: melanoma; prostate, lung, breast and bladder cancers; and multiple myeloma. 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. Together this mechanism of action is known as oncolytic immunotherapy. CAVATAK™'s preferential targeting of cancer cells provides the potential for low toxicity in the patient.

The company has fully enrolled a phase 2 clinical trial of intratumourally administered CAVATAK™ in the treatment of Late stage Melanoma (the CALM study), at multiple prestigious cancer clinics in the US. Viralytics has commenced a Phase 1/2 trial of CAVATAK™ delivered systemically (intravenously). This trial, referred to as the STORM (Systemic Treatment Of Resistant Malignancies) study, will enrol patients with melanoma, prostate, lung or metastatic bladder cancers. The second stage of the STORM trial will include combination treatments with existing chemotherapies in one of the above cancer types. The STORM trial is being conducted at three UK cancer centres.

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.