

ASX/ Media Release
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ONCOSIL CLINICAL PROGRAMME UPDATE

Sydney, Australia, 4 April 2018: OncoSil Medical Limited (ASX: OSL) (**OncoSil Medical** or the **Company**) a medical device company focused on localised treatments for patients with pancreatic and liver cancer, is pleased to provide an update on the progress of its Global Pancreatic Cancer Clinical Study Programme comprising the two studies, PanCO and OncoPaC-1.

Highlights:

- **Third participant in Global Clinical Study has undergone surgical resection with curative intent**
- **Three further study participants from initial 20-patient group are currently being assessed by their clinical teams for possible surgical resection with curative intent**
- **First study participants in the US and in Belgium have been successfully implanted with OncoSil™ device**
 - **First US patient has been implanted at The University of Texas, MD Anderson Cancer Centre in Houston (OncoPaC-1)**
 - **First EU patient has been implanted at Institut Jules Bordet in Belgium (PanCO)**
- **OncoSil continues to progress recruitment of the PanCO clinical study, with 40 patients now enrolled, and with 31 successful implants completed to date**
- **OncoSil™ device continues to be well-tolerated with no safety concerns to date**

OncoSil Chief Executive Director Daniel Kenny commented:

"The surgical resection findings to date represent an important milestone, as it demonstrates an improved outcome in a patient study group who were deemed inoperable when enrolled."

Additional patients continue to be assessed by their clinical teams for surgical resection, and we look forward to providing further updates."

Surgical Resections outcomes update

A total of 3 patients out of the initial 20 patients enrolled have now undergone surgical resection with curative intent. A further 3 patients are currently being assessed by their clinical team for surgical resection.

Although surgical resection rate is not a pre-specified trial endpoint, these findings are encouraging and represent an important clinical milestone as this suggests the potential for 'down-staging' selected patients from an initially inoperable to a surgically resectable state when the OncoSil™ device is used in combination with optimum chemotherapy. This will be the subject of further analysis upon trial completion in order to better understand the clinical characteristics of those patients who are 'down-staged'.

Surgical resection is the only potential cure for pancreatic cancer, with less than 15% of all pancreatic cancer patients at initial diagnosis being eligible for resection.

First US and Belgian international patients implanted

The first US patient recruited to the OncoPaC-1 Clinical study in the USA was implanted with the OncoSil™ device on 22 March at MD Anderson Cancer Centre, Houston. The first EU patient recruited to the PanCO clinical study in Belgium was implanted on 23 March at Institut Jules Bordet in Brussels, Belgium.

Screening and recruitment at leading US cancer centres

Recruitment and screening efforts for additional global patients are progressing well with recruitment efforts at leading US cancer centres.

In addition to the MD Anderson Cancer Centre, Johns Hopkins, Moffit Cancer Centre and Cedars Sinai Hospital are all also actively screening patients for entry into the OncoPaC-1 clinical study.

PanCO Clinical Study Update

Oncosil continues to progress recruitment of the PanCO clinical study, with **40** patients now enrolled, and with **31** successful implants completed to date. The key clinical performance and safety findings for the OncoSil™ device (used in combination with standard of care chemotherapy) are as follows:

Clinical Performance

- Excellent Local Disease Control rate (DCR) of 100% (Week 8) and 87% (Week 16)
- 4 out of 20 implanted patients have achieved a Partial Response
(Partial response defined as a reduction in tumour longest diameter of at least 30% from baseline)
- 3 out of 20 implanted patients have now undergone surgical resection with curative intent
- 3 other study participants are being assessed for possible surgical resection with curative intent
(Resection is the only potential cure for pancreatic cancer, demonstrating possibility of improved outcomes in patient group deemed inoperable at time of study entry)
 - Substantial tumour volumetric reduction observed in patients
 - Up to 73% volumetric reduction at Week 8 (median volumetric change 29%)
 - Up to 72% volumetric reduction at Week 16 (median volumetric reduction 39.5%)

Safety

Reassuring safety profile as confirmed by three independent Safety Review Committee meetings.

- No Serious Adverse Events (SAEs) attributed to device or implantation procedure
- Majority of reported adverse events consistent with the well-documented side effect profile of background chemotherapy, or complications arising from cancer progression
- No evidence of radiation toxicities
- No other safety concerns identified to date

Implantation Procedure

OncoSil™ device delivery via EUS is considered straightforward and uncomplicated

Corporate Update – Capital Raising & Strategic Partnerships

On March 22 the Company completed an Institutional Placement.

The placement was very well supported by both major existing shareholders and a number of new institutional investors, and closed oversubscribed. The placement will raise \$12.7 million at an issue price of \$0.12.

The Company is also conducting a Share Purchase Plan (“SPP”), under which all eligible shareholders will be invited to invest up to \$15,000.00 per shareholder at the same issue price as shares under the Institutional Placement. The SPP will be capped at \$4.0 million.

Funds raised from both the Institutional Placement and Share Purchase Plan are expected to see the Company through to EU commercialisation of the *OncoSil™* device, including achieving the key milestone of CE Mark Certification.

Based on strong emerging clinical data to date the Company is now seeking to secure strategic partnerships and licensing agreements in key geographies to optimise early market commercialisation.

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Company	Media
Mr Daniel Kenny CEO & Managing Director E: daniel.kenny@oncosil.com.au T: +61 2 9223 3344	Ben Walsh WE Buchan E: bwalsh@buchanwe.com.au M: 0411 520 012

About OncoSil

OncoSil™ is a clinical-stage medical device company seeking to advance radiation for cancer patients. OncoSil Medical's lead product, OncoSil™ is a targeted radioactive isotope (Phosphorus-32), implanted directly into a patient's pancreatic tumours via an endoscopic ultrasound.

Treatment with the OncoSil™ is intended to deliver more concentrated and localised beta radiation compared to external beam radiation. OncoSil Medical has conducted four clinical trials with encouraging results on tolerability, safety and efficacy. A CE Mark application to commercially sell OncoSil™ in the European Union (EU) is under review with commercial launch planned for 2H2016, subject to approval.

The U.S Food and Drug Administration granted an Investigational Device Exemption (IDE) in July 2016 with approval to conduct a clinical study of the OncoSil™ device. The aim of the study will be to collect safety and effectiveness data required to support a Premarket Approval (PMA) application.

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 (HCC) or liver cancer, is the 6th most common cancer in the world with 782,000 new cases diagnosed in 2012. While hepatocellular carcinoma can be treated by surgery or transplantation, the majority of patients with HCC have disease which is too advanced for surgery and their survival ranges from a few months to two or more years. The value of the hepatocellular cancer market is expected to triple in size to \$1.4b by 2019.

Forward Looking Statements

This document contains certain forward-looking statements, relating to OncoSil's business, which can be identified by the use of forward-looking terminology such as "promising", "plans", "anticipated", "will", "project", "believe", "forecast", "expected", "estimated", "targeting", "aiming", "set to", "potential", "seeking to", "goal", "could provide", "intends", "is being developed", "could be", "on track", or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA and other authorities' requirements regarding any one or more product candidates nor can there be any assurance that such product candidates will be approved by any authorities for sale in any market or that they will reach any particular level of sales. In particular, management's expectations regarding the approval and commercialisation of the product candidates could be affected by, among other things, unexpected trial results, including additional analysis of existing data, and new data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. OncoSil is providing this information as of the date of this document and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.