

ASX/Media Release
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OncoSil Receives Approval to Incentive for R&D expenses

Sydney, 16th December, 2014: OncoSil Medical Limited (ASX: OSL) (OncoSil Medical, the Company) is very pleased to announce that it has received approval from AusIndustry for its overseas research and development expenditure. The approval confirms that it is conducting eligible research and development and certain activities of its R&D program must be conducted overseas.

The finding is important because it certifies that all eligible expenditure incurred in relation to OncoSil's development project will be subject to a tax refund. The refundable tax offset is currently set at 43.5 % of eligible expenditure. Based on current projected expenditure the company anticipates receiving approximately \$6.74 million through the program.

OncoSil's Executive Chairman, Roger Aston, made the following comments on receipt of the notification from AusIndustry "This was a thorough, detailed review of our project and we are very pleased with this finding. We would like to thank AusIndustry for the professionalism with which it was conducted. Their finding is important because it gives validation to our processes and the manner in which our project is being conducted. It also gives an increased level of certainty to our internal cash flow projections as the approval is binding. The confidence that we will receive these tax refunds each year allows us to continue to focus on our primary objectives"

Yours faithfully
OncoSil Medical Limited

Roger Aston
Executive Chairman

About OncoSil Medical Ltd

OncoSil Medical Ltd (OncoSil Medical) is a clinical-stage Australian biotechnology 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 EMA 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 2010 280,000 people globally were diagnosed with pancreatic cancer including 43,140 Americans, 70,000 Europeans and 2,546 in Australia. 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 world-wide market for pancreatic drugs is projected by Global Industry Analysis to exceed US\$1.2bn by 2015.