

ASX Announcement
29 January 2018

Quarterly Activities & Cash flow Report

Quarter ended 31 December 2017

Investor Call to discuss Quarterly Results and Outlook at 9.00am AEDT, 5 February 2018

Sydney, Australia – 29 January 2018: OncoSil Medical Ltd (ASX: OSL) (**OncoSil** or the **Company**), a medical device company focused on localised treatments for patients with pancreatic and liver cancer, today released its Appendix 4C – Quarterly Cashflow report for the quarter ended 31 December 2017 (the **Quarter** or **2Q 18**). All financial results are in Australian dollars and are unaudited.

Key highlights

- **23 patients now successfully implanted with OncoSil™ device**, exceeding the 20 patient supplementary data request as required for CE Mark
- **Promising early study results indicate excellent local disease control and safety**
- Further update on early study results (including clinical performance and safety assessments) will be released in February
- Recruitment into the Global Pancreatic Cancer Clinical Study Programme continues, with 33 patients currently enrolled
- Cash balance as at 31 December 2017 of \$5.2m

OncoSil Chief Executive Officer, Daniel Kenny commented:

“During the Quarter, we were very pleased to report our early study results, demonstrating excellent local disease control in subjects at Week 8 and 16 thus supporting the safety of both the device and the procedural implantation method.”

“We also made strong progress with respect to the study programme, with 33 patients now enrolled and 23 of these patients successfully implanted with the OncoSil™ device.”

“Pleasingly, data from the first 20 implanted patients will contribute towards the 20 patient supplemental data request necessary for CE Mark certification. We are now in the process of compiling this required supplemental data for CE Mark review.”

“We look forward to the Company’s continued progression during the next quarter, as we collate further data on the clinical performance and safety profile of the OncoSil™ device.”

Global Pancreatic Clinical Study Programme Update

OncoSil continues to progress recruitment for the study, with 33 patients now enrolled in the study and 21 patients successfully implanted with the OncoSil™ device.

As previously mentioned to the market, the Company will continue to recruit patients beyond the initial 20 patient target to gather additional valuable clinical experience and to account for subject loss due to factors such as withdrawal on clinical grounds prior to implantation or protocol exclusion.

Early Study Results

During the Quarter, the Company provided an overview of the early study results at the European Association of Nuclear Medicine (EANM) Congress in October 2017. The EANM is the largest organisation dedicated to Nuclear Medicine in Europe, and, with over 6,200 participants, the EANM Annual Congress is the most valuable Nuclear Medicine meeting worldwide.

Since October, additional implantations have taken place that have continued to support the early study results presented.

OncoSil looks forward to providing the market with a further update on early study results (including clinical performance and safety assessments) in February 2018.

Corporate and Financial

During the Quarter, the Company had cash outflows from operations of \$3.4m, resulting in a cash balance as at 31 December 2017 of \$5.2m. The Company also received an additional cash refund of \$0.6M in January 2018 following lodgement of the 2016/17 amended tax return. The cash rebate related to the expenditure on eligible overseas R&D activities conducted during 2016/17 financial year. This cash refund is in addition to the \$2.9m R&D refund announced on 25 September 2017.

Investor Conference Call

The Company will hold a conference call at **9:00 am AEDT on 5 February 2018** to discuss the Company's financial results for the Quarter and the business outlook. The Company's Chief Executive Officer and Managing Director Daniel Kenny, will host the call.

To access the call please use the following details: Conference ID: 221902

Australian Toll Free:	1800 558 698
Australia Local (if dialling from international location):	+61 2 9007 3187
New Zealand Toll Free:	0800 453 055
Hong Kong Toll Free:	800 966 806
Singapore Toll Free:	800 101 2785
China Toll Free:	4001 200 659
United Kingdom Toll Free:	0800 051 8245
United States/Canada Toll Free:	855 881 1339

– ENDS –

Company	Media
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About OncoSil

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

Treatment with OncoSil™ is intended to deliver more concentrated and localised beta radiation compared to external beam radiation. OncoSil Medical has conducted four clinical studies 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, subject to approval.

An Investigational Device Exemption (IDE) has been granted by the United States Food and Drug Administration (FDA) to conduct a clinical study of the OncoSil™ device aimed at supporting a PMA approval. 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 materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. OncoSil Medical 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.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

ONCOSIL MEDICAL LIMITED

ABN

89 113 824 141

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers	-	-	-
1.2 Payments for			
(a) research and development	(1,492)	(2,444)	
(b) product manufacturing and operating costs	-	-	
(c) advertising and marketing	-	-	
(d) leased assets	-	-	
(e) staff costs	(1,430)	(2,658)	
(f) administration and corporate costs	(298)	(529)	
1.3 Dividends received (see note 3)	-	-	
1.4 Interest received	29	66	
1.5 Interest and other costs of finance paid	-	-	
1.6 Income taxes paid	-	-	
1.7 Government grants and tax incentives	-	2,885	
1.8 Other (License fee)	(135)	(135)	
1.9 Net cash from / (used in) operating activities	(3,326)	(2,815)	
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) property, plant and equipment	-	-	
(b) businesses (see item 10)	-	-	
(c) investments	-	-	

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:	-	-
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities	-	-
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	8,513	8,001
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,326)	(2,815)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	1	2
4.6	Cash and cash equivalents at end of quarter	5,188	5,188

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,188	8,513
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,188	8,513

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	60
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available

Add notes as necessary for an understanding of the position

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

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9. Estimated cash outflows for next quarter

\$A'000

9.1 Research and development

1,600

9.2 Product manufacturing and operating costs

-

9.3 Advertising and marketing

-

9.4 Leased assets

-

9.5 Staff costs

1,250

9.6 Administration and corporate costs

300

9.7 Other (provide details if material)

-

9.8 Total estimated cash outflows

3,150

**10. Acquisitions and disposals of business entities
(items 2.1(b) and 2.2(b) above)**

Acquisitions

Disposals

10.1 Name of entity

10.2 Place of incorporation or registration

10.3 Consideration for acquisition or disposal

10.4 Total net assets

10.5 Nature of business

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Company Secretary)

Date: 29 January 2018

Print name: Tom Milicevic

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.