ASX and Media Release

VIRALYTICS INVESTOR PRESENTATION

Viralytics to Present at Australian Microcap Investment Conference

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21 October 2014, Sydney, Australia: Viralytics Limited (ASX: VLA, OTC: VRACY) will participate later today at the 5th Annual Australian Microcap Conference in Melbourne.

Managing Director Dr Malcolm McColl will present at the event at 12.15pm.

"Viralytics is pleased to be able to showcase the company's recent achievements, present an update on the further clinical development of CAVATAK, and describe the substantial potential market opportunity for new agents in the cancer immunotherapy field" said Dr McColl.

The event is the largest in Australia focussing on the microcap sector and will be attended by representatives from over 130 investor groups.

The presentation, which is attached, outlines CAVATAK's potential in a range of cancer types and provides an update on the company's clinical trial programme, specifically:

- the successful Phase 2 CALM trial in melanoma patients in the US;
- the Phase 1 / 2 STORM trial in solid cancer patients underway in the UK;
- plans for combination trials involving CAVATAK in late stage melanoma patients; and
- an upcoming Phase 1 clinical trial in non-muscle invasive bladder cancer patients in the UK.

About Viralytics Ltd:

Viralytics is developing oncolytic immunotherapy treatments for a range of cancers. Viralytics' lead investigational 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 creates the potential for a more tolerable cancer treatment.

The company has completed enrolment in a single arm 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. The study is being conducted in patients with late stage (IIIC and IV) malignant melanoma.

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In addition, Viralytics is progressing a Phase 1/2 trial of CAVATAK™ delivered systemically (intravenously). This trial, referred to as the STORM (Systemic Treatment Of Resistant Malignancies) study, is enrolling 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.

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Viralytics

Developers of Oncolytic Immunotherapies

Oncolytic Immunotherapies
for Difficult-to-Treat Cancers

OCTOBER 2014

Disclaimer

Certain statements made in this presentation are forward looking statements within the meaning of the safe harbour provisions of the United States Private Securities Litigation Reform Act of 1995. These forward looking statements are not historical facts but rather are based on Viralytics' current expectations, estimates, assumptions and projections about the industry in which Viralytics operates. Material referred to in this document that use the words 'estimate', 'project', 'intend', 'expect', 'plan', 'believe', 'guidance' and similar expressions are intended to identify forward looking statements and should be considered an at-risk statement. These forward looking statements are not a guarantee of future performance and involve known and unknown risks and uncertainties, some of which are beyond the control of Viralytics or which are difficult to predict, which could cause the actual results, performance or achievements of Viralytics to be materially different from those which may be expressed or implied by these statements. These statements are based on our management's current expectations and are subject to a number of uncertainties and risks that could change the results described in the forward-looking statements. Risks and uncertainties include, but are not limited to, general industry conditions and competition, general economic factors, the impact of pharmaceutical industry regulation and health care legislation in the United States and internationally, and challenges inherent in new product development. Investors should be aware that there are no assurances that results will not differ from those projected and Viralytics cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Viralytics only as of the date of this presentation. Viralytics is not under a duty to update any forward-looking statement as a result of new information, future events or otherwise, except as required by law or by any appropriate regulatory authority.

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Positioned for Growth

- Lead product CAVATAK™ with demonstrated potential in a range of indications and treatment settings
- Opportunity for use as monotherapy or in combination with new 'blockbuster' agents
- Transformational $27M capital raise in 2014 from international healthcare institutions
- Resources to conduct key global clinical trials
- Corporate strategy to license, partner or sell at key value point

CALM:
Success in Phase 2 melanoma clinical trial (US)

STORM:
Initiated Phase 1/2 in solid tumour cancers (UK)

Next Phase 2 melanoma trial:

Late Planning Stage

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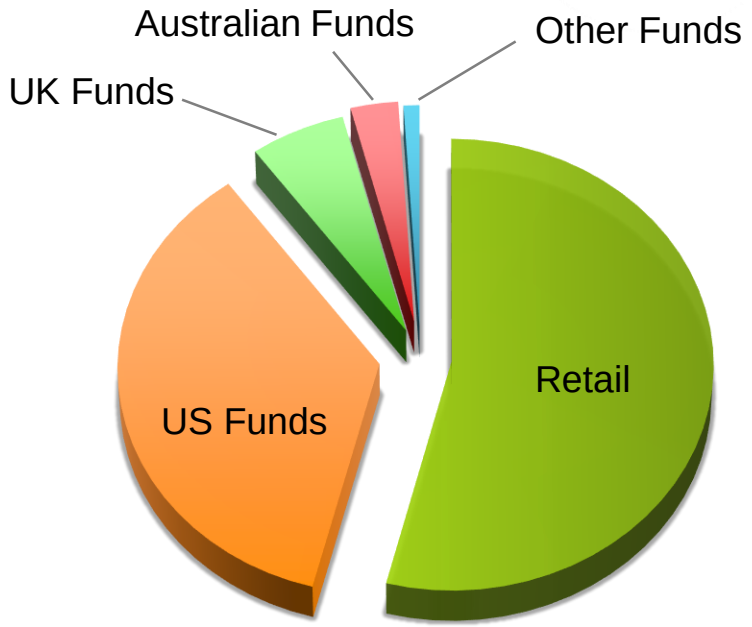
Strong Financial Foundation

Key Statistics	
Ticker Code	ASX: VLA OTCQX: VRACY
Share Price (October 15)	A$0.28
Market Capitalisation	A$51.5M
Trading Range (12 month)	A$ 0.26-0.37
Institutional investors	45%
Cash position (June 30, 2014)	A$24.3M
Net operating cashburn 2013/14	A$5.5M



- Strong institutional register
- Leading specialist healthcare institutional investors

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Cancer Immunotherapy: Emerging, High-Value Therapeutic Platform

- Rapidly emerging field, transforming cancer therapy
- Value highlighted by Amgen acquisition of Biovex (TVec™) in 2011
  - US $425 million cash upfront
  - US $575 million future milestone payments
- Multiple recent commercial transactions and collaborations
- Roche, GSK, Astra Zeneca, BMS, Merck all active in this field
- Cancer immunotherapy annual revenues could exceed US $35 billion by 2023*

Opportunities for CAVATAK™ in multiple settings including combination with new agents

Leerink Swann October 2013 review: "50% of all cancer treatment could involve immunotherapy within the next decade."

'Science' Magazine Cancer immunotherapy – Breakthrough of the Year 2013

* Citigroup report 2013

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CAVATAK™
Lead Product, Many Potential Indications

- Proprietary formulation of Coxsackievirus A 21
- Targeted to specific receptor overexpressed on cancer cells (ICAM-1)
- Kills local and metastatic cells by both oncolytic *and* immunotherapeutic activity
- Potential application across a range of cancer types:
  - Intratumoural – melanoma
  - Intravenous – melanoma, prostate, lung, metastatic bladder
  - Intravesical – non-muscle invasive bladder cancer
- Well tolerated in patients - no treatment-related grade 3 or 4 adverse events
- Potential as monotherapy or with other agents
- Manufactured under cGMP at SAFC, California

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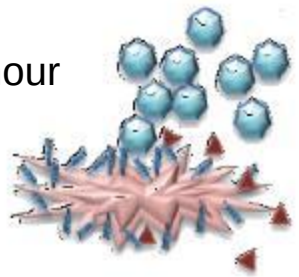
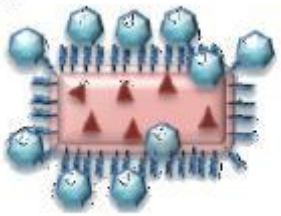
CAVATAK™
Local and Systemic Activity

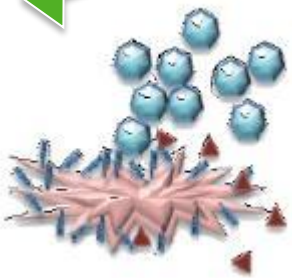
CAVATAK™ released from tumour (repeats)

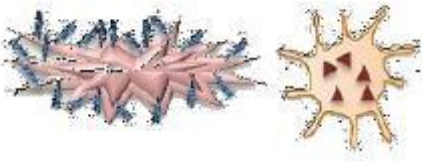


activates host anti-tumour immune response

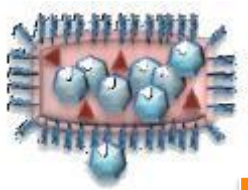


1. **Oncolytic lysis** and death of cancer cell





CAVATAK™ binds externally to tumour cells



infects

2. Viral induced tumor **inflammation**

replicates and destroys

3. Stimulation of **host-immune** response against cancer cells

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Melanoma – First Target for CAVATAK™

- Melanoma - potentially fatal malignant skin tumour that can spread throughout the body
- Ranked 5th in US for new cases per annum
- Promising new agents approved BUT sub-optimal activity, drug resistance and toxicity remain issues
- Big pharma race to find complementary agents
- Unmet need for well tolerated agents as monotherapy for earlier stage disease

Opportunities for effective, well tolerated products with potential monotherapy or combination use

STRONG OPPORTUNITIES FOR BRANDED PRODUCTS:

BMS Yervoy™
2011 launch –
$960M sales in 2013

Roche Zelboraf™
2011 launch –
$400M sales in 2013

Merck Keytruda™
US launch September 2014
- forecast sales of $6Bn by 2025#

Leerink Swann 2014

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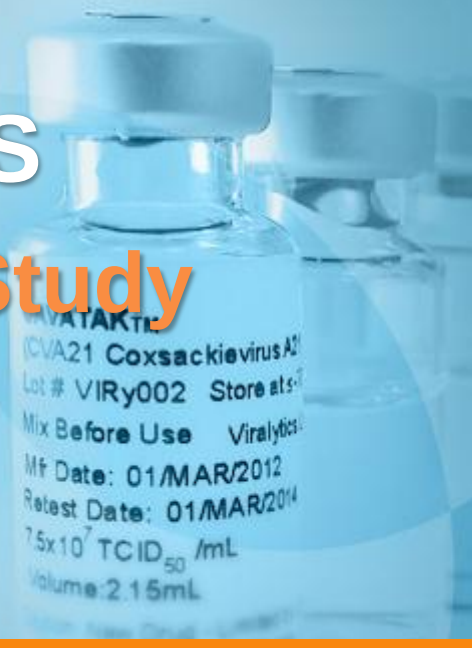
Developers of Oncolytic Immunotherapies

CLINICAL TRIAL PROGRESS

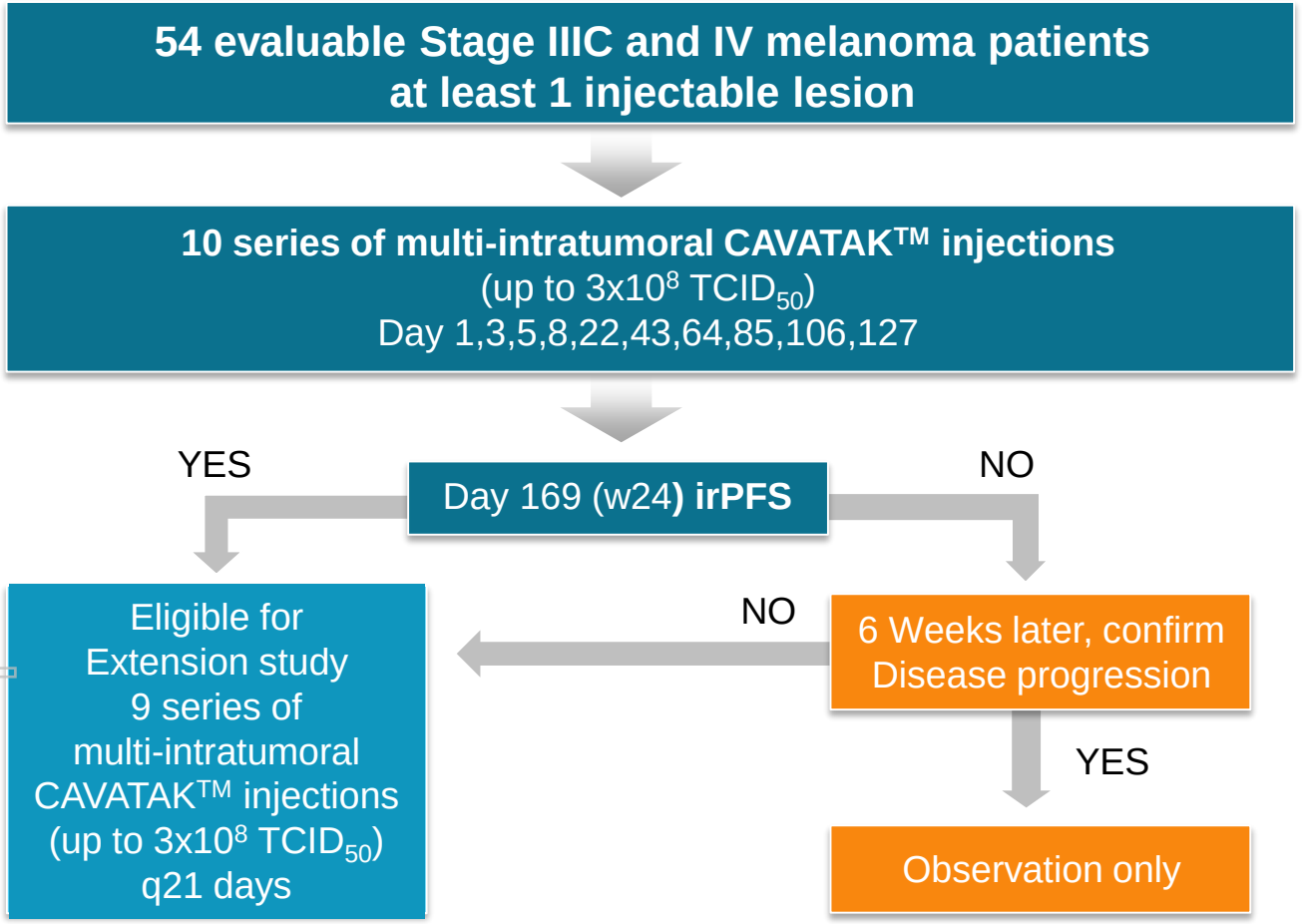
CALM Phase 2 Melanoma Study

STORM Phase 1/2 Study



CAVATAK™ – Phase 2 CALM Melanoma Study

(CAVATAK IN LATE STAGE MELANOMA)



- 11 leading US cancer centres. Also participated in Amgen / Biovex studies
- Primary endpoint achieved in first 30 evaluable patients
- Responses in injected and metastatic (non injected) tumours
- Well tolerated
- Results presented to global conferences

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CAVATAK™ / Biovex OncoVex™ results

	Viralytics CAVATAK™ Phase 2 CALM Melanoma Interim Data *	Biovex OncoVex™ Phase 2 Melanoma Final Data ^
	September 29, 2014#	
Number of patients	57	50
Stage of Disease	IIIC-IV	IIIC-IV
ir Progression-Free Survival - 6 months	39% (22/57)	Not reported
ir Progression-Free Survival - 3 months	50%#	50% ^^
One-year survival rate	73% (33/45)	58%
Overall Response Rate	28% (16/57)	26% (13/50)
Median Time to Response (TTR) Onset	2.8 months	Not reported **
Activity in injected and non injected lesions	✓	✓
No grade 3 or 4 drug-related adverse events	✓	
Met primary endpoint prior to full enrolment	✓	

* Interim data lodged with ASX and Investigator assessed (refer ASX announcement for full details)
^ Data from Senzer et al, 2009. J. Clin.Oncol., (34):5763-7;
^^ Referred to as Disease control rate in Senzer et al, 2009. J. Clin.Oncol., (34):5763-7;
# 50% irPFS when assessed in 38 patients in November 2013
**Median TTR reported at 4.1 months in Phase 3 trial ESMO 2013

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CAVATAK™ — Well Tolerated in Clinical Testing

CAVATAK-related adverse events+

AE Term	*Grade 1 n(%)	Grade 2 n(%)	Grade 3 n(%)	Grade 4 n(%)
Injection site pain	16 (35%)	2 (4%)		
Tiredness (fatigue)	15 (33%)	2 (4%)		
Chills	15 (33%)			
Pyrexia	7 (15%)			
Injection site erythema	7 (15%)			
Myalgia	6 (13%)			
Headache	5 (11%)			
Hyperhidrosis	5 (11%)			

No drug-related grade 3 or 4 or serious adverse events

Toxicity is a well recognized shortcoming of both existing therapies and new cancer immunotherapies

+ Preliminary analysis, adverse events from 46 of the 57 treated patients;
* Only Grade 1 AE's occurring in ≥ 10% of patients are listed.

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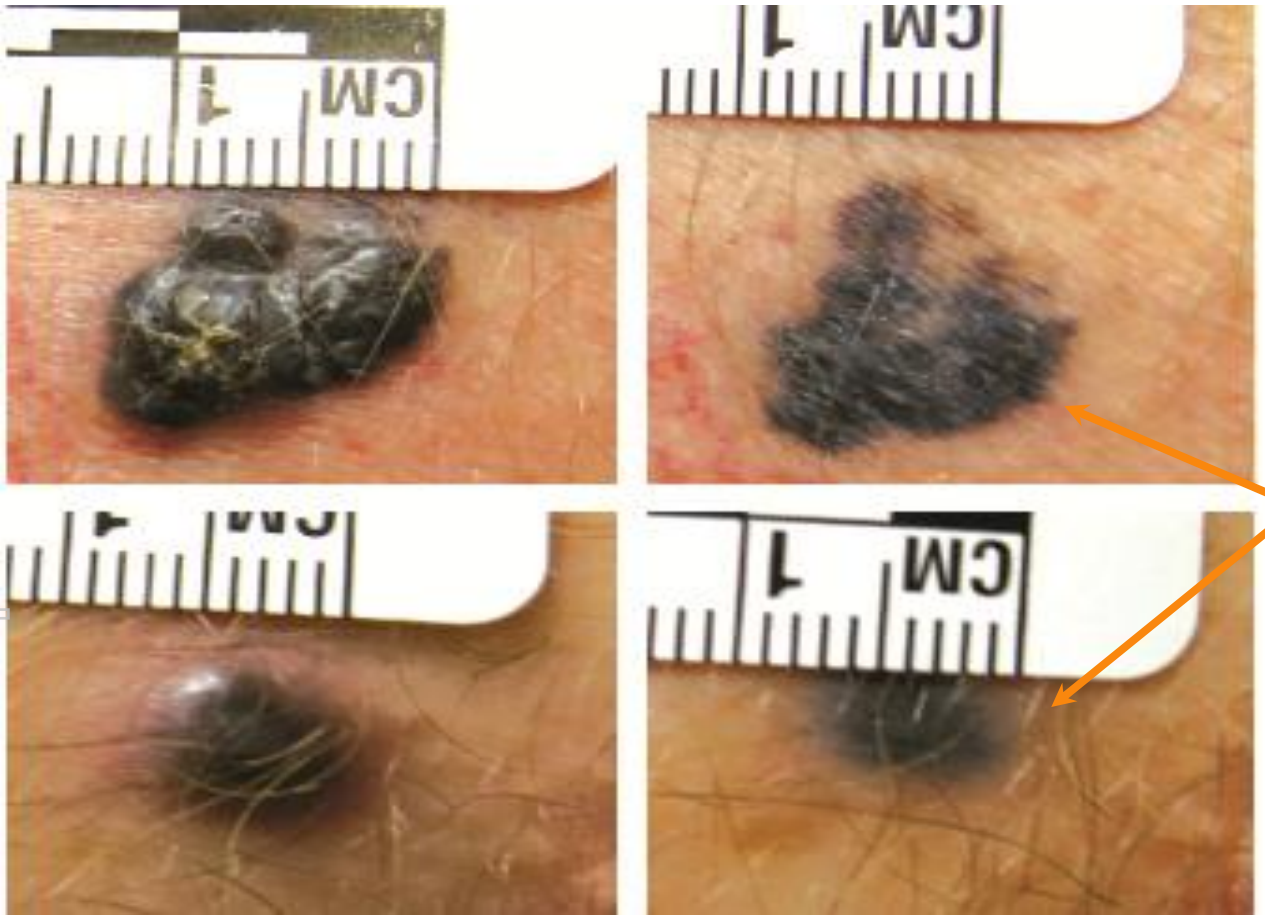
CALM Phase 2 trial

LOCAL-INJECTED LESION RESPONSES



Male with cutaneous melanoma on the chest. Injection in chest lesions.

Histopathological analysis confirmed complete melanoma regression

Courtesy Dr R Andtbacka, Lead Study Investigator, Huntsman Cancer Institute as presented at ASCO 2014

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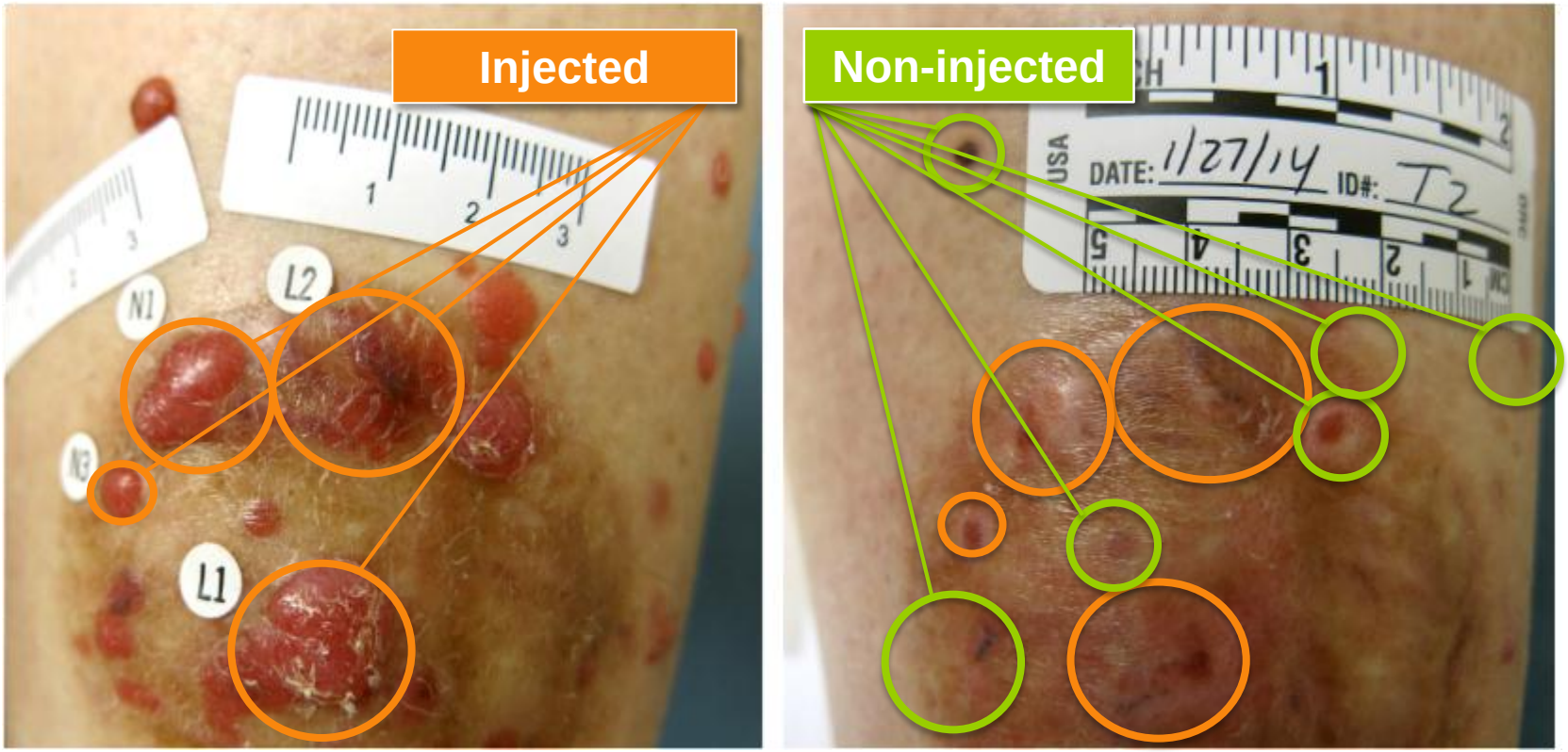
CALM Phase 2 trial

LOCAL INJECTED AND NON-INJECTED LESION RESPONSES

Baseline

Day 85



Male with metastatic melanoma to the leg. Injection in leg lesions.

Courtesy Dr R Andtbacka, Lead Study Investigator, Huntsman Cancer Institute as presented at ASCO 2014

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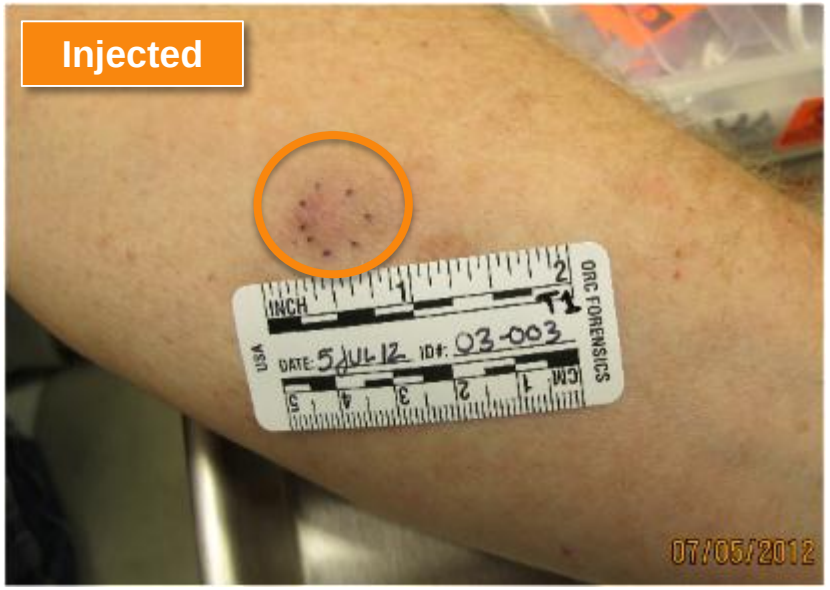
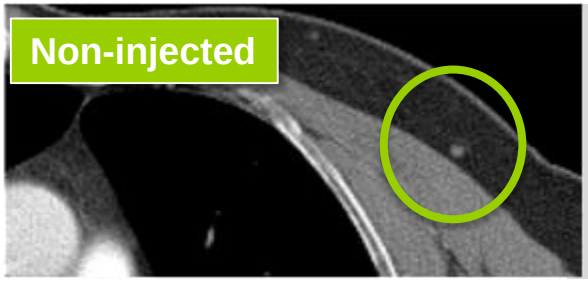
CALM Phase 2 trial

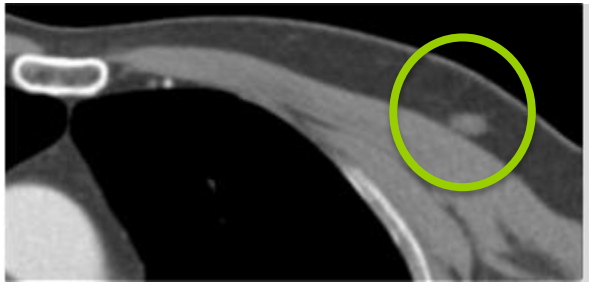
NON-INJECTED CHEST WALL DISTANT LESION RESPONSE



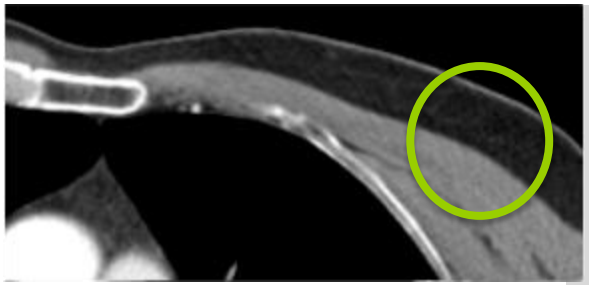
Male with metastatic melanoma to the chest. Injection in cutaneous metastatic arm lesion



Screening
0.6 cm



Day 130 (18 wks)
Injection 10
1.1 cm



Day 262 (37 wks)
Ext. Injection 5
0 cm

Courtesy Dr R Andtbacka, Lead Study Investigator, Huntsman Cancer Institute as presented at ASCO 2014

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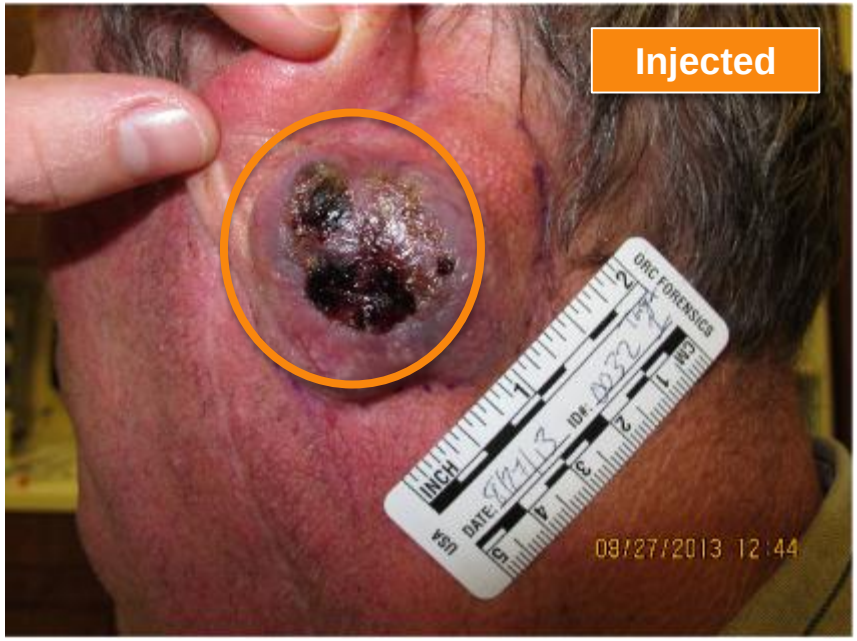
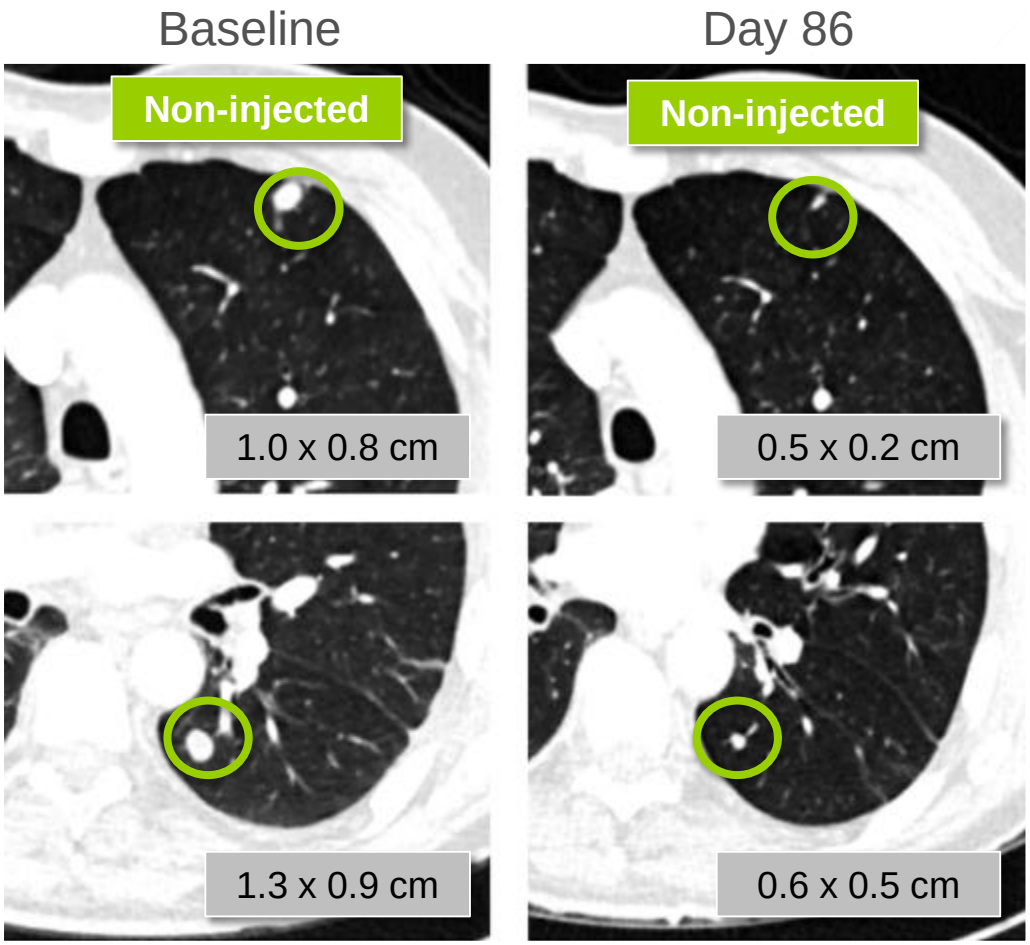
CALM Phase 2 trial

NON-INJECTED DISTANT VISCERAL LESION RESPONSE



Male with metastatic melanoma to left neck and lungs. Injection in left neck.



Courtesy Dr R Andtbacka, Lead Study Investigator, Huntsman Cancer Institute as presented at ASCO 2014

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CAVATAK™
CALM Melanoma Study – Next Steps

- Successful study with primary endpoint achieved
- Significantly exceeded target endpoints
- Extension study to enhance understanding of immunotherapeutic activity
- Survival data on all patients in Q1 2015
- Follow-on trials in late planning stage

Strong data flow to drive partnering discussions

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CAVATAK™ — STORM Phase 1/2 Study

(**S**YSTEMIC **T**REATMENT **O**F **R**ESISTANT **M**ALIGNANCIES)

- Trial Initiated. Planned ~30 late stage cancer patients
  - Advanced melanoma, prostate, lung and metastatic bladder cancers
- Leading oncologists at prestigious UK cancer centres
- Multiple intravenous dosing *with* and *without* standard chemotherapy (e.g. docetaxel)
- Well tolerated in first two cohorts (6 patients)
- Third cohort (highest dose level) underway
- Preliminary results from early 2015 through early 2016

Potential to significantly broaden applications and expand partnering discussions

Cancer Type	Rank *	Estimated New Cases in the US in 2014 *
Prostate	1st	233,000
Lung	3rd	224,210
Melanoma	5th	76,100
Bladder	6th	74,690

* USA National Cancer Institute, 2014

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Deep Clinical Development Experience

Dr Darren Shafren
Chief Scientific Officer, inventor of CAVATAK™

25 years' experience in oncolytic virotherapy and cancer cell interactions

Dr Leonard Post
Director

Biomarin CSO
formerly Onyx, Biovex

Extensive experience including Nexavar™ from IND through FDA approval for kidney cancer

Dr Robert Andtbacka
CALM Phase 2 Principal Investigator

Huntsman Cancer Institute, University of Utah

Dr Keith Flaherty
Scientific Advisory Board

Massachusetts General Hospital Cancer Center

Professor Merrick Ross
Independent Clinical Consultant

MD Anderson Cancer Center, Houston, Texas

Professor Kevin Harrington
STORM trial Investigator

The Royal Marsden, London

Dr Brendan Curti
CALM Phase 2 Investigator

Providence Cancer Center Portland, USA

Professor Hardev Pandha
STORM trial Principal Investigator

University of Surrey

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Developers of Oncolytic Immunotherapies

FUTURE CLINICAL PROGRAM

- **Melanoma – Multiple Opportunities**
- **Bladder – CANON Trial**

CAVATAK™
Phase 2 Melanoma Studies

- Build on CALM study results
- Trial options
  - Combination with new agents in *late*-stage patients
    - Checkpoint inhibitors (anti-CTLA-4 and /or anti- PD1)
    - Targeted molecules (BRAF/ MEK inhibitors)
  - Administration prior to surgery in *early*-stage patients
- Strong pharma interest in new combinations and well tolerated monotherapy
- Clinical studies in late planning stage

"CAVATAK™'s activity and tolerability in these late-stage melanoma patients is impressive.

Given this growing body of clinical and pre-clinical data, CAVATAK™ appears to be an excellent candidate for development, either as a single agent in earlier disease, or in combination with other new therapies, including anti-PD-1 and other checkpoint inhibitors. *I look forward to contributing to the further clinical development of this promising immunotherapy agent."*

Dr Robert Andtbacka Huntsman Cancer Institute

"Given the activity and tolerance profile witnessed to date, the combination of CAVATAK™ with other new targeted therapies has exciting potential in advanced stage melanoma patients. I look forward to seeing what CAVATAK can add to our current treatment standards in randomized trials."

Dr Keith Flaherty – Massachusetts General Hospital Cancer Center

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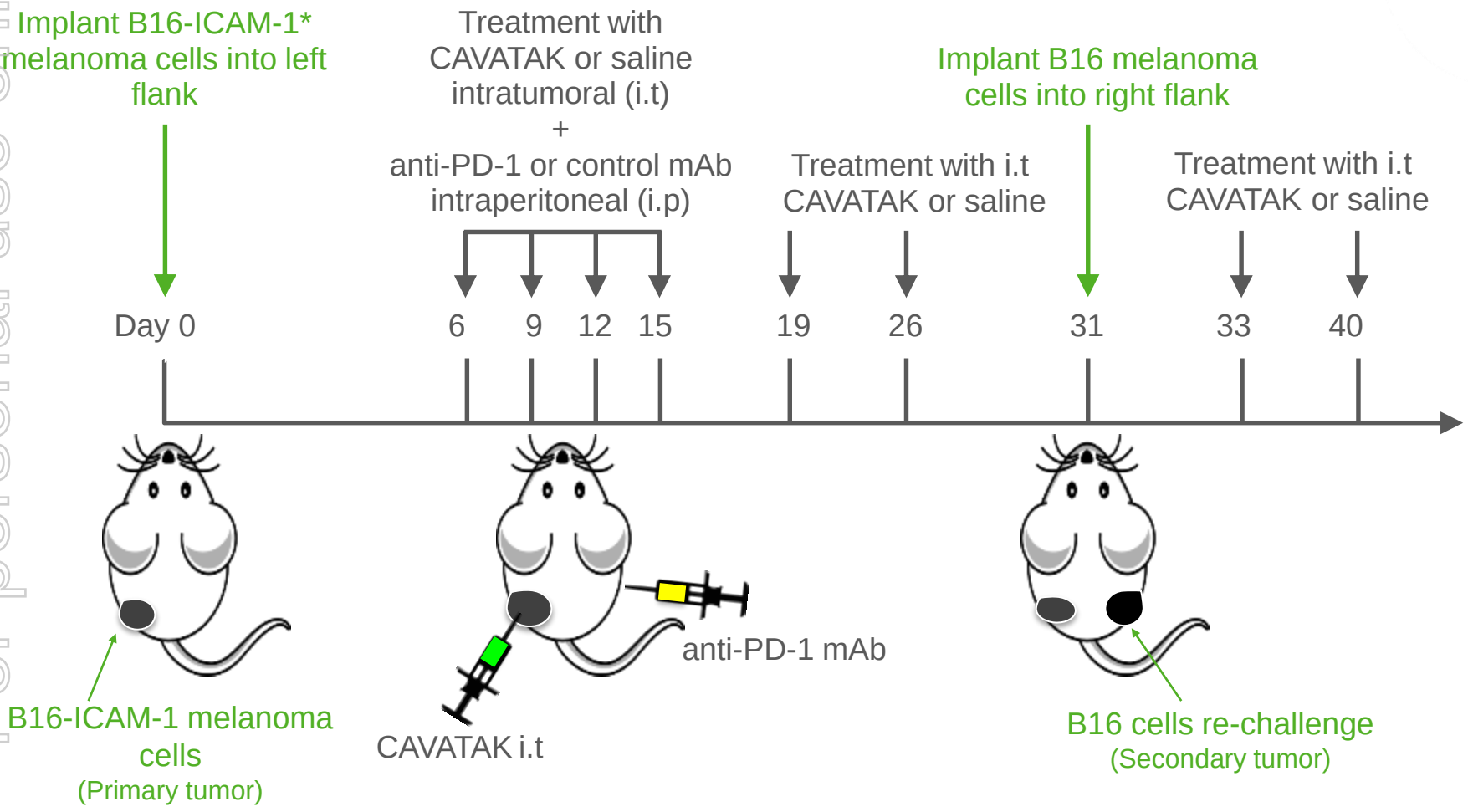
Preclinical Assessment of Combination of Intratumoural CAVATAK and Anti-PD-1 Antibody in mice



* B16-ICAM-1 cells are murine melanoma B16 cells stably transfected to express human ICAM-1 to allow CVA21 binding and cell infection

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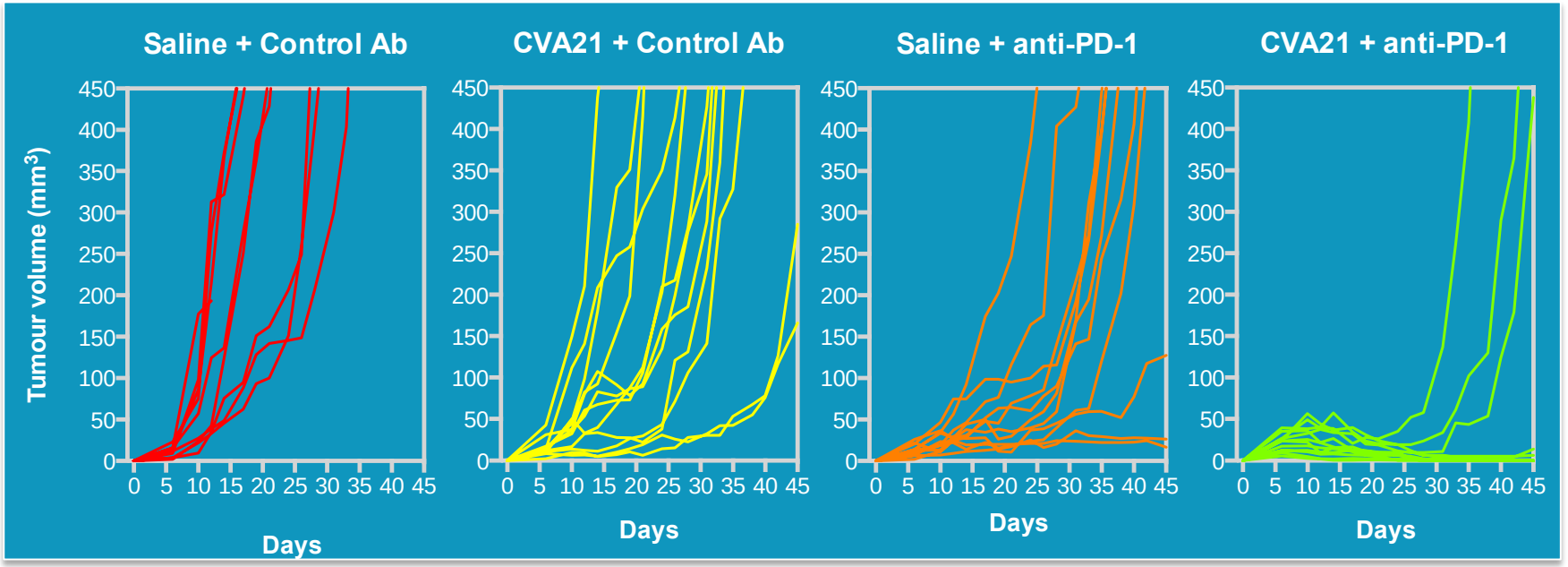
Preclinical Assessment of Combination of Intratumoural CAVATAK and Anti-PD-1 Antibody In mice

B16-ICAM-1 melanoma
(Primary treated tumor)

Spider plots of individual primary B16-ICAM-1 tumor growth



Study Day 45	Saline + Control Ab	CVA21 + Control Ab	Saline + anti-PD-1	CVA21 + anti-PD-1
	0% Tumor-free	0% Tumor-free	0% Tumor-free	75 % Tumor-free

Shafren et al ESMO 2014

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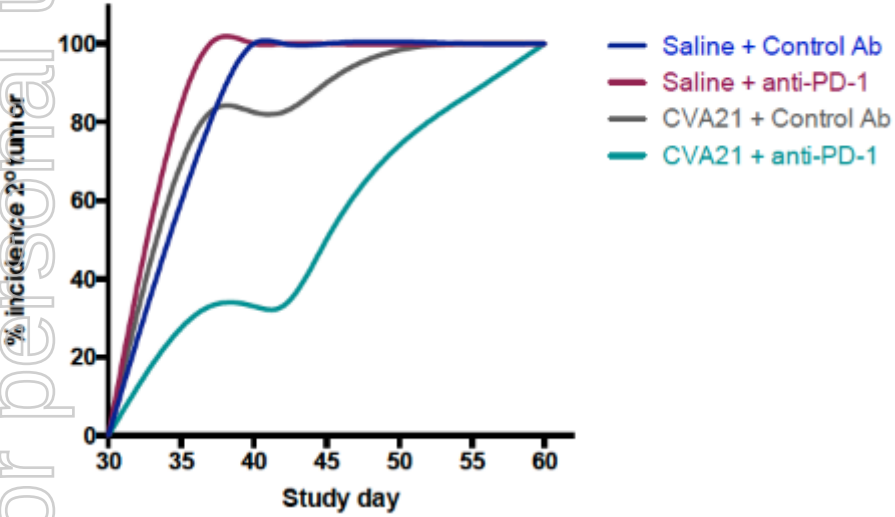
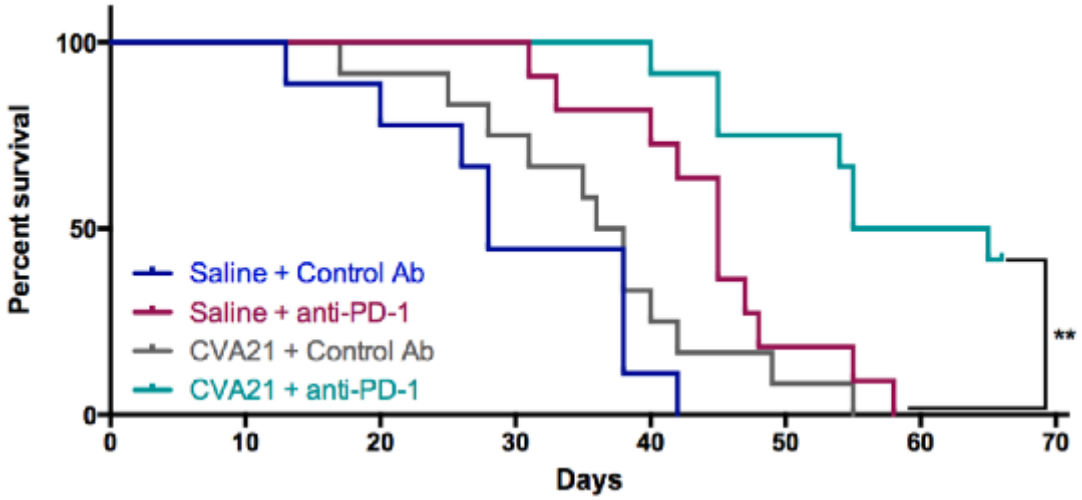
Preclinical Assessment of Combination of Intratumoural CAVATAK and Anti-PD-1 Antibody in mice

B16 cell re-challenge
(Secondary tumor
Non-treated)

Incidence of palpable secondary B16 tumor *



Survival



Similar responses seen when CAVATAK used in combination with anti-CTLA4 antibody (murine form of ipilimumab - Yervoy™)

* Preliminary on-going analysis

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CAVATAK Combined with Checkpoint Inhibitors

- Combination of CAVATAK and anti-PD1 or anti-CTLA-4 mAb is well tolerated
- Significant anti-tumor activity using a combination of CAVATAK and anti-PD-1 or anti-CTLA -4 in a pre-clinical mouse model
- Evaluation of a combination of CAVATAK and anti-PD-1 or anti-CTLA-4 mAb in advanced melanoma patients is warranted
- Checkpoint inhibitors, likely backbone of immunotherapy with forecast annual sales of $35Bn by 2023 (Citibank)
- Checkpoint inhibitors active across a range of cancer types, including melanoma, lung and bladder cancer and potential synergy with CAVATAK

Anti- PD1 mAb approved in USA (Keytruda™ Merck) and Japan (Ono Pharmaceutical) in late stage melanoma patients

Merck, Astra Zeneca, BMS and Roche have anti-PD1 / PDL1 mAb in development for melanoma and other cancer types

Anti-CTLA4 mAb approved globally (Yervoy - BMS) in late stage melanoma patients

Astra Zeneca has anti-CTLA-4 in development

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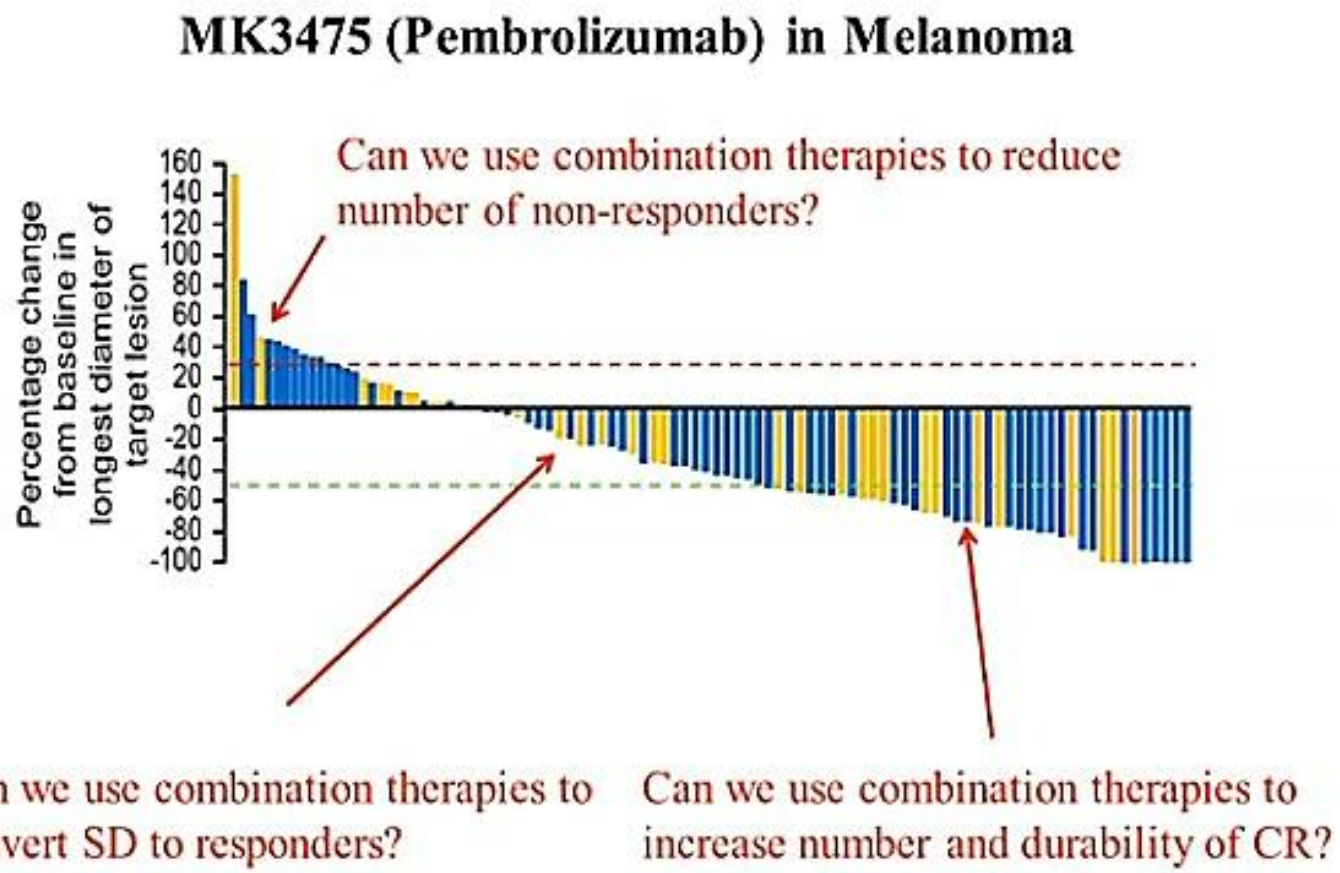
Checkpoint inhibitors
Room to Improve through Combination with New Therapies



Checkpoint inhibitors important new agents in melanoma and other cancer types

Big Pharma focused on improving activity of these agents through combination therapy

Goal: to enhance performance with manageable toxicity

Also potential to enhance activity of targeted agents (BRAF / MEK inhibitors)

Courtesy of Professor K. Harrington – ESMO 2014

CAVATAK™ — CANON Phase 1 study

(**CA**VATAK in **NON**-MUSCLE INVASIVE BLADDER CANCER)

- Common cancer with high unmet need
- Significant costs to health care system - $200,000/patient
- No treatment advances in the last decade
- Need for non-toxic effective agents
- CAVATAK active in preclinical studies, in particular in combination with chemotherapy
- Phase 1 study initiate in Q1 2015
- Intravesical CAVATAK +/- mitomycin C in frontline NMIBC
- 18 – 30 patients in 2 stages at Royal Surrey Hospital

Cancer Type	Rank *	Estimated New Cases in the US in 2014 *
Prostate	1st	233,000
Lung	3rd	224,210
Melanoma	5th	76,100
Bladder	6th	74,690

* USA National Cancer Institute, 2014

Potential to broaden partnering discussions

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Developers of Oncolytic Immunotherapies

SUMMARY

Current CAVATAK clinical trial program

CAVATAK™

Intratumoural

Phase 2: CALM study
Advanced melanoma
N=57

Phase 2: CALM extension cohort
Advanced melanoma
N=12

Intravenous

Phase 1/2: STORM study
Advanced melanoma, NSCLC, Bladder and Prostate cancer
N=30

Intravesicular

Phase 1: CANON study
Non-muscle invasive bladder cancer
N=30

Phase 2 *(in final planning)*
Monotherapy or combination studies with immune checkpoint inhibitors and/or targeted small molecules

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Expected News Flow

Presentation at AACR, ASCO and ESMO conferences	**Achieved**
Top-line results CALM Phase 2 melanoma study	**Achieved**
Initiate extension cohort in CALM study	**Achieved**
Initiate combination studies in melanoma patients	Q1 2015
Initial results first stage of STORM phase 1/2 study	Q1 2015
Survival data CALM Phase 2 melanoma study	Q1 2015
Initiate CANON Phase 1 bladder cancer study	Q1 2015

Compelling Near-Term Value Builders

- Lead product CAVATAK™ - potential in a range of cancer types
- Collaborating with leading oncologists in US and Europe
- Well funded following transformational $27M capital raise
- Impressive activity in CALM Study
- STORM Phase 1/2 trial in patients with solid tumour cancers
- Promising results in preclinical studies with blockbuster new agents
- Pharma company strong interest in combination strategies
- CAVATAK Phase 2 combination study planned for Q1 2015
- CANON Phase 1 bladder cancer trial planned for Q1 2015
- Data from multiple clinical trials to drive partnering discussions and shareholder value
- Recent high value transactions in cancer immunotherapy

Corporate strategy to build value through to licensing or partnering transaction

Success in Phase 2 CALM melanoma trial

- ✓ **Primary endpoint achieved September 2013**
- ✓ **Significantly exceeded key endpoints**
- ✓ **Activity in metastatic (secondary) tumours**
- ✓ **Well tolerated with no drug-related serious adverse events**
- ✓ **Potential application as monotherapy or in combination with blockbuster new agents**

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Developers of Oncolytic Immunotherapies

Thank You

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