VIRALYTICS LIMITED

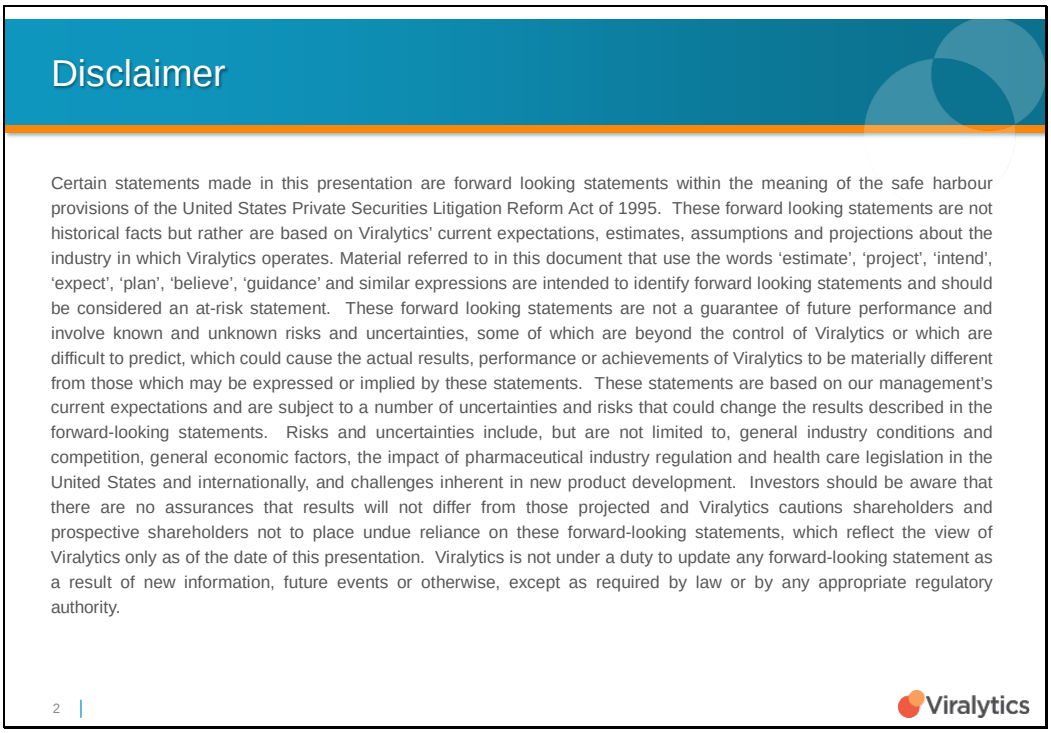
ANNUAL GENERAL MEETING

27 NOVEMBER 2014

MANAGING DIRECTORS ADDRESS

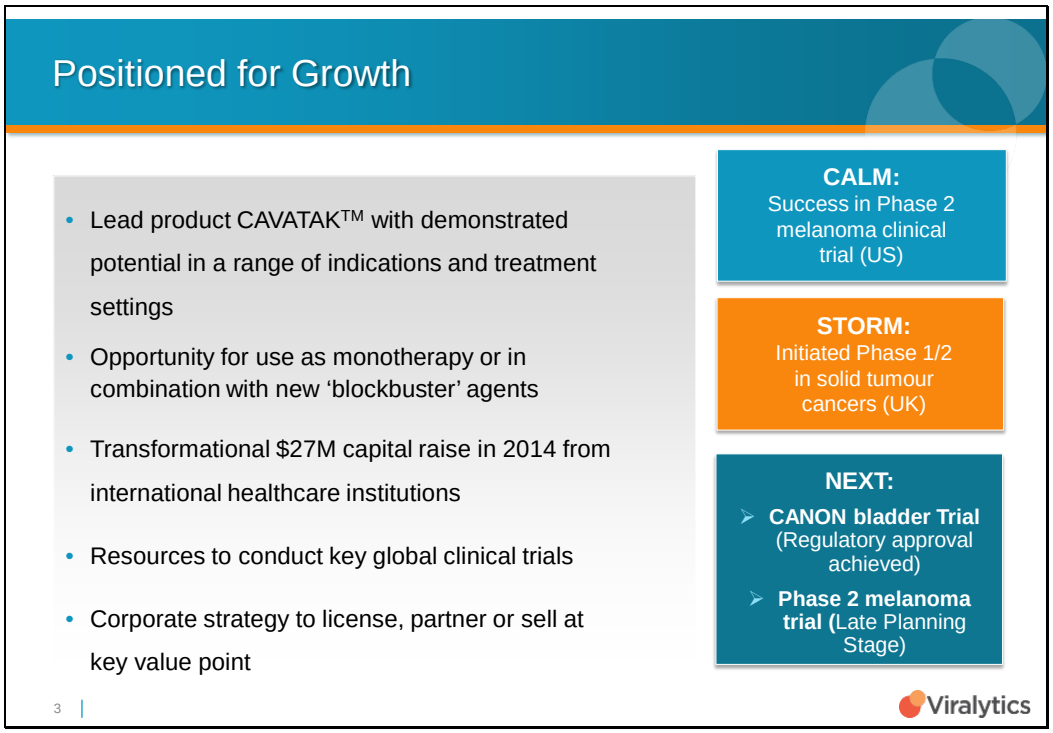
It's a pleasure to be here today to share with you the exciting story of Viralytics and update you on the progress we are making towards our goal of delivering new oncolytic immunotherapies for difficult-to-treat cancers.

Slide 2



This slide sets out our disclaimer in respect of forward looking statements.

Slide 3



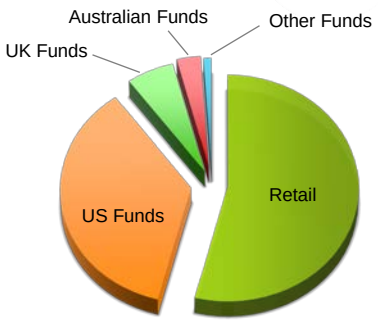
In the past year, we have achieved compelling clinical progress with our lead product candidate, CAVATAK, including success in a Phase 2 clinical trial in melanoma, the initiation of a Phase 1/2 clinical trial in solid-tumour cancers, and robust preclinical data suggesting CAVATAK's potential in additional indications and treatment settings. We also completed a transformational capital raise of $27M, primarily from US and UK institutional investors. This was a significant validation of our progress and prospects, and will enable us to fund key global clinical trials. The results generated from these studies will be critical in partnering discussions and driving shareholder value.

We see broad potential for CAVATAK, either alone or when combined with other therapies. The cancer immunotherapy field is very active at present, with strong participation from big pharma companies. We believe that CAVATAK will be of interest to companies wishing to strengthen their portfolios, and our corporate strategy is to find a partner leading to either the license of our technology or the sale of our company.

Slide 4

Strong Financial Foundation

Key Statistics	
Ticker Code	ASX: VLA OTCQX: VRACY
Share Price (November 25)	A$0.30
Market Capitalisation	A$55M
Trading Range (12 month)	A$ 0.265-0.370
Institutional investors	46%
Cash position (September 30, 2014)	A$23.7M
Net operating cashburn 2013/14	A$5.5M

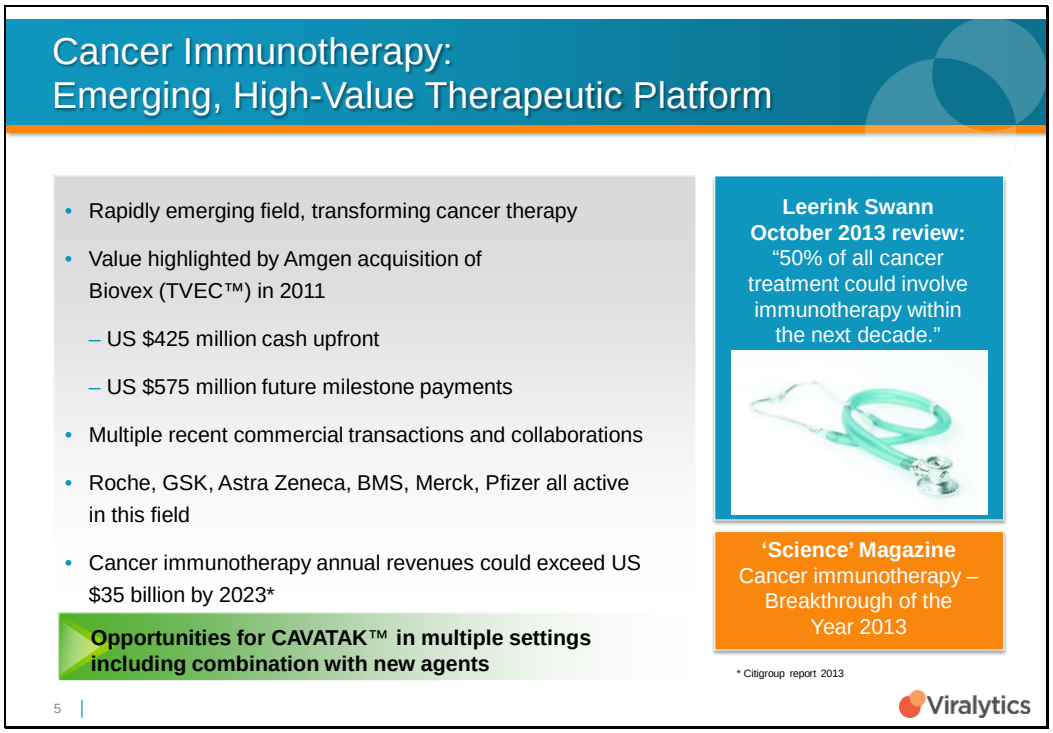


- Strong institutional register
- Leading specialist healthcare institutional investors

4 | Viralytics

Following our successful capital raise in March, Viralytics now has institutional investors accounting for 46% of its register. We are pleased to have this level of institutional support, which reflects the considerable due diligence conducted by these funds and is a considerable change to last year when we had no institutional investors.

Slide 5



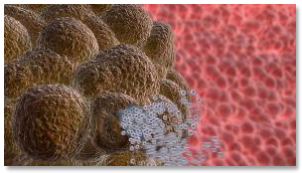
Cancer immunotherapy is one of the most active fields in cancer research and drug development. There is the potential with this new therapeutic approach to dramatically transform the treatment of cancer, with significant benefits in response rates and survival. One forecast indicates that the cancer immunotherapy market may grow to $35Bn in less than 10 years. Thus the race is on at big pharma companies to develop and build their portfolios, including very active partnering activities with many recent transactions.

As earlier stated we see multiple potential opportunities for CAVATAK as part of this new wave of cancer immunotherapies as both a monotherapy and in combination with other new or existing therapies.

Slide 6

CAVATAK™
Lead Product, Many Potential Indications

- Proprietary formulation of Coxsackievirus A21
- 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

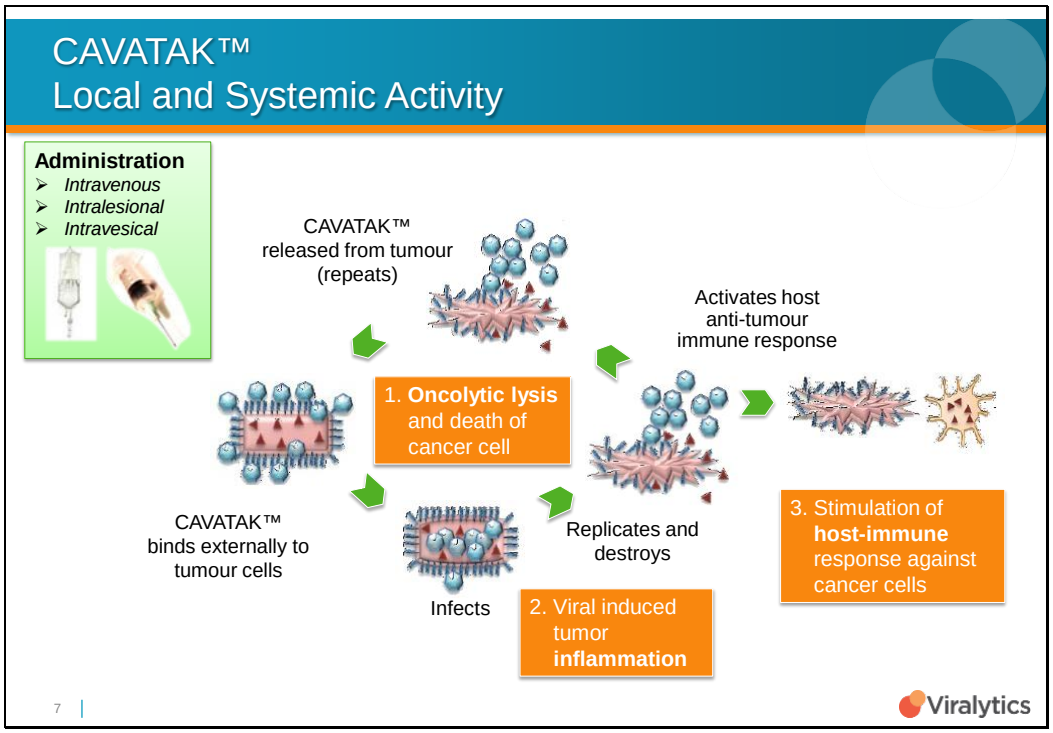


6 |

Viralytics

We have studied CAVATAK in various treatment settings, including intratumoural and intravenous administration, and across a range of indications. Importantly in our clinical trials to date, CAVATAK has been well tolerated with no drug-related grade 3, 4 or serious adverse events. The manufacturing process is straightforward, and we have achieved GMP manufacture at Sigma Aldrich in California.

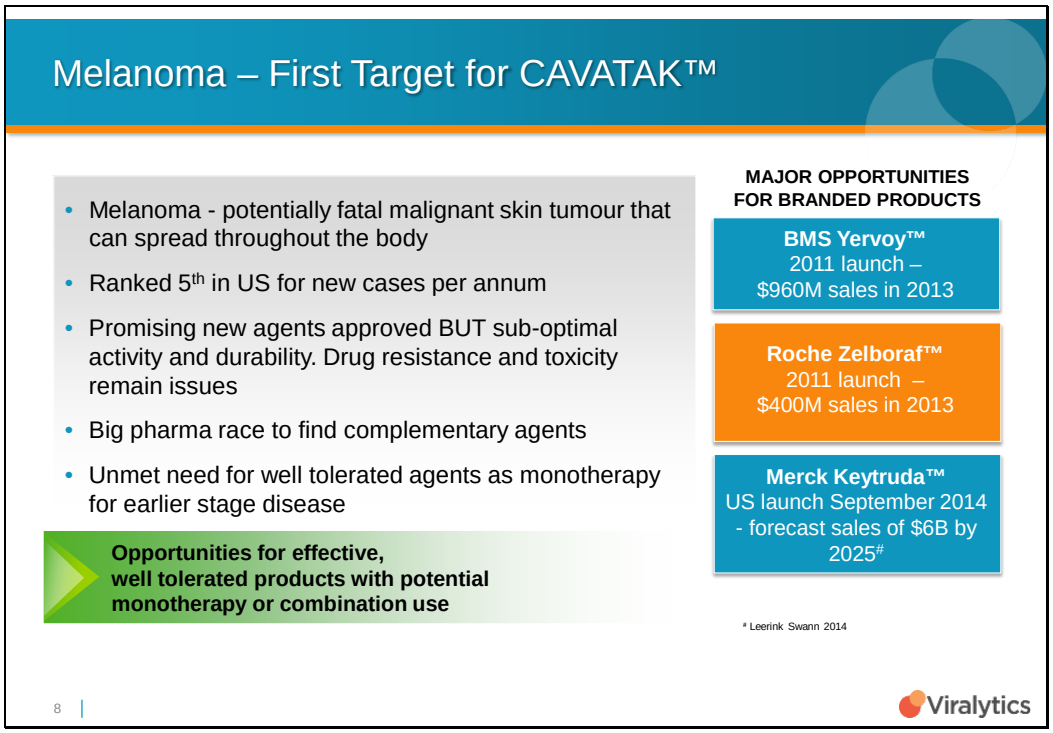
Slide 7



CAVATAK is a novel cancer immunotherapy that has been shown to preferentially infect and destroy cancer cells. Specifically, it is a genetically unmodified Coxsackievirus, a virus that can be involved in the common cold. This virus has particular targeting of a receptor called ICAM-1 that is overexpressed on the surface of many cancer types.

Following binding to the cancer cell, the virus then penetrates the cell and replicates, a process that ultimately leads to cell lysis, or destruction. The released virus can then go on to infect other cells. This infection process attracts immune cells to the cancer and activates a host anti-cancer immune response. In this way, the lytic and immunotherapeutic activity acts to kill both local and metastatic cancer cells.

Slide 8

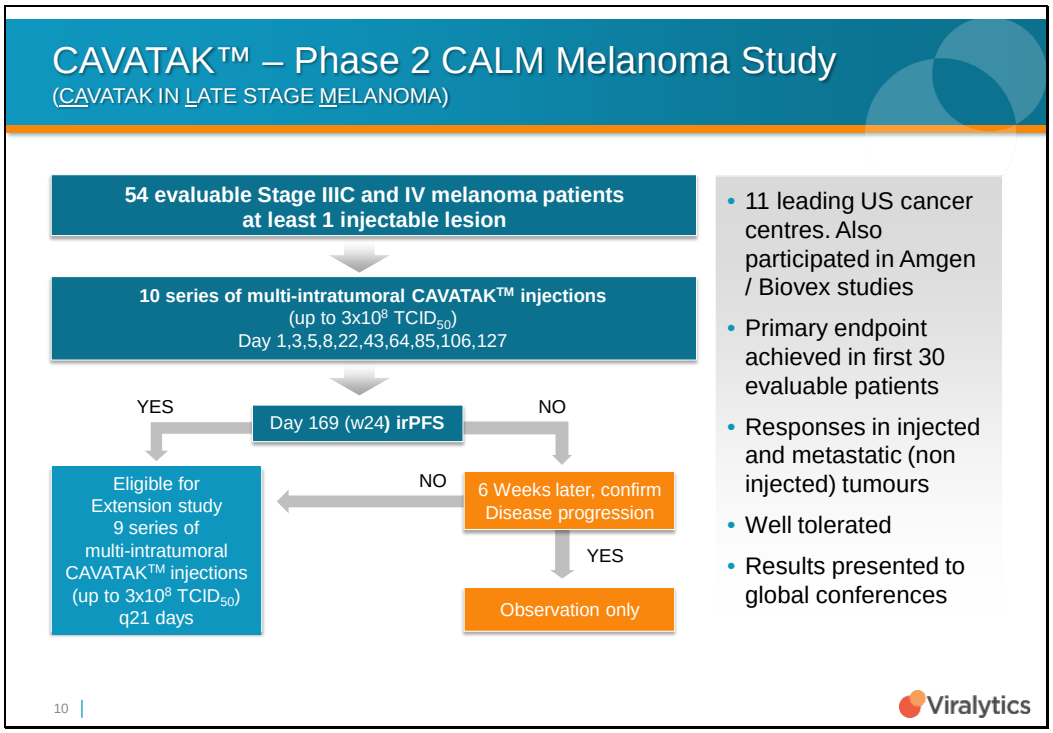


Our lead indication for CAVATAK is malignant melanoma, a major cancer type with unmet treatment needs. There has been considerable success and rapid uptake of recently launched new drugs, including Yervoy™ and Zelboraf™, with sales approaching $1 billion and $500M respectively. Despite this success, these new drugs do still have shortcomings with regard to activity, durability, toxicity and the development of resistance.

Of note is the recent US approval of Keytruda™, a Merck drug and the first of the anti-PD1 antibodies, also known as checkpoint inhibitors. These agents provide a significant improvement in activity; however, there is a race among big pharma companies to find agents like CAVATAK that may provide further benefits when used either in combination with checkpoint inhibitors, or alone in less advanced disease.

Slide 9

Slide 10

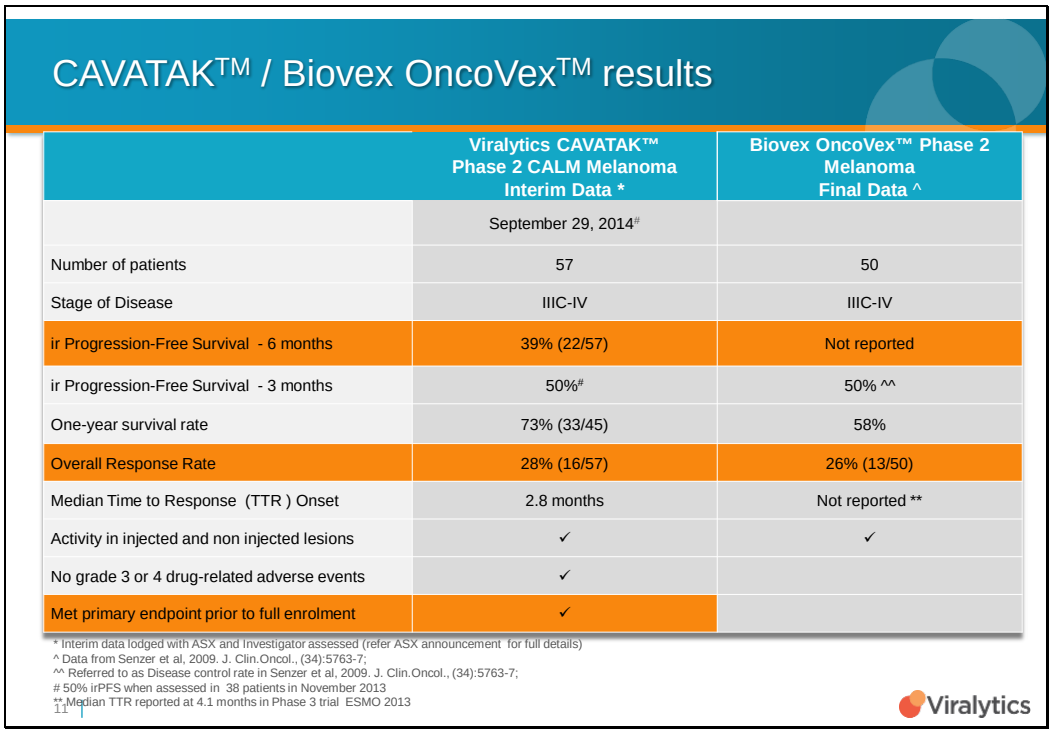


Our Phase 2 CALM study is assessing CAVATAK delivered intratumourally in late-stage melanoma patients at multiple high-calibre cancer centres in the US. Many of the clinicians in our study were earlier involved with the Amgen T-VEC study and are highly regarded and experienced with this mode of administration.

According to the study protocol, an initial 10 doses of CAVATAK are administered directly into the tumour over an 18-week period. Patients achieving the 6-month endpoint of immune-related progression-free survival (irPFS) can then continue on to an extension study, receiving a further nine doses over a 27- week period.

Our target for a successful study was to have 10 of 54 patients demonstrate irPFS at 6 months. We met this endpoint very early in the study in September 2013, with 10 of the first 30 patients hitting the target, and that number has now grown to 22 patients with irPFS. To help us better understand the immunotherapeutic activity of CAVATAK, we have recently reopened enrolment to add 12 more patients to the CALM study.

Slide 11



When the results seen in the Biovex Oncovex Phase 2 study are compared to the latest results in our Phase 2 CALM trial, it is interesting to note the similar activity of the two agents, with some slightly better figures in the CAVATAK column. It is not possible to draw conclusions, since the studies were not conducted head to head; however many of the same oncologists participated in both studies. Oncovex, now known as T-VEC, was acquired by Amgen in 2011 at a price of up to US $1 Bn.

We are pleased with these Phase 2 results for CAVATAK, and in particular, the progression free-survival rate of 39%, the 12-month survival rate of 73%,, the time to response of 2.8 months and the overall response rate of 28% —all achieved in late-stage and seriously ill patients.

Slide 12

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%)			

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

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

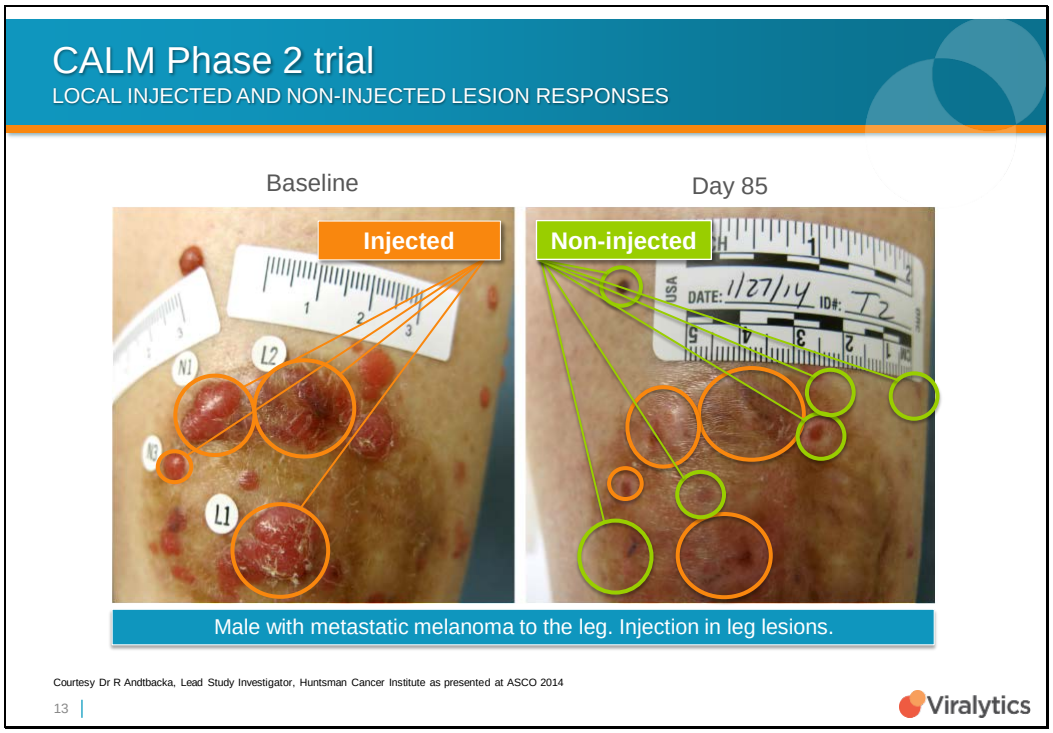
Toxicity is a well recognized shortcoming of both existing therapies and new cancer immunotherapies

12

Viralytics

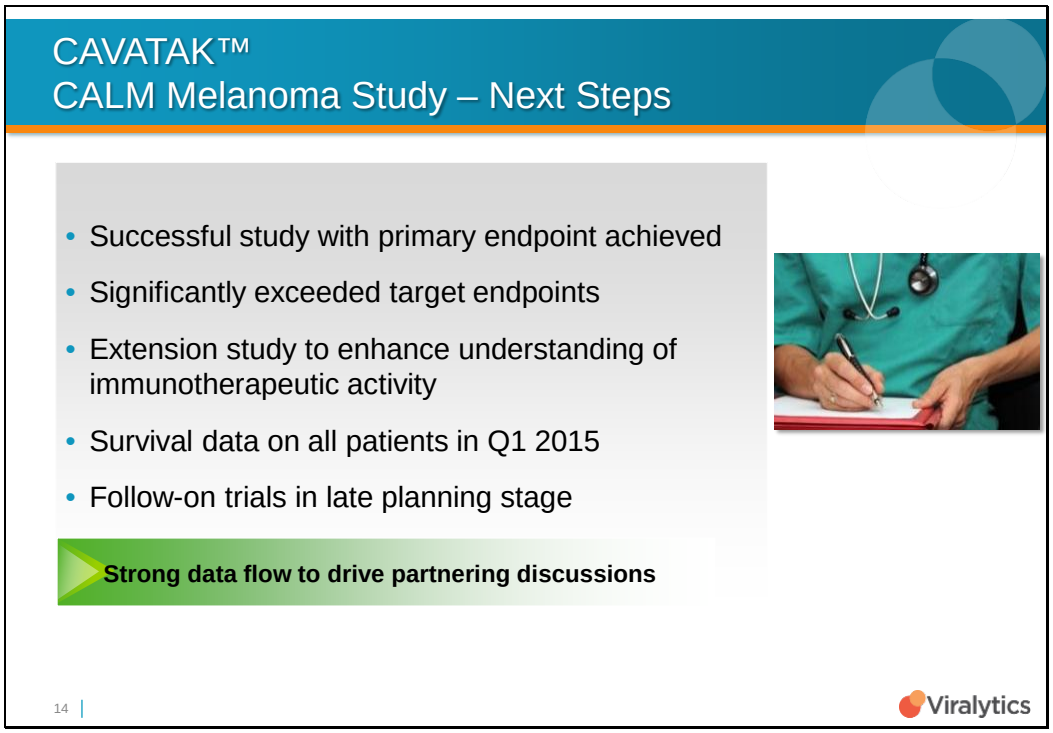
Very importantly, the safety profile seen in the CALM study is excellent. To date, we have not witnessed any grade 3 or 4 drug-related adverse events or drug-related serious adverse events. Both traditional chemotherapies and the newer immunotherapies are known to have shortcomings with regard to toxicity. CAVATAK's outstanding tolerability makes it an attractive candidate for combination therapies, since it is less likely to compound the toxicities of other agents.

Slide 13



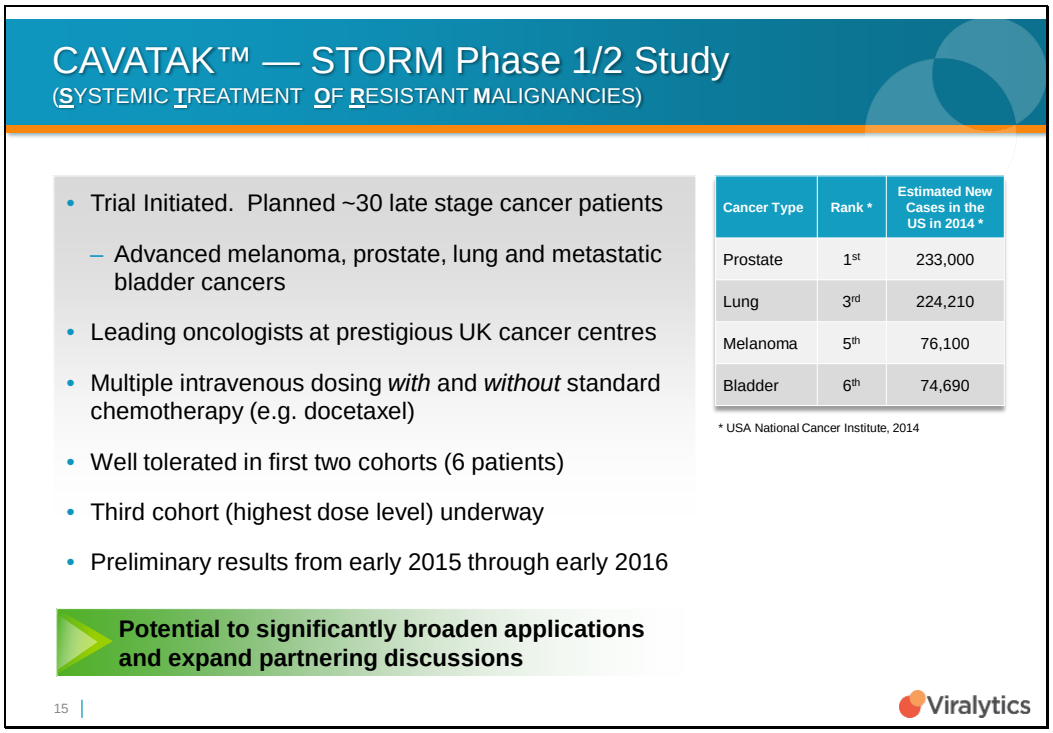
We have been encouraged by the results of the CALM trial, demonstrating CAVATAK's anti-cancer activity, not only in injected tumours, but at distant sites, suggesting the generation of an anti-tumour immune response. This slide is one of several examples of activity in both injected and non-injected locations. Other examples can be seen on presentations on our website.

Slide 14



The CALM trial has been a success with the early achievement of the primary endpoint and impressive response rates with activity in both injected and non-injected distant lesions. Follow-on trials are in the late planning stage, and it is these current and future data that are critical in advancing partner discussions.

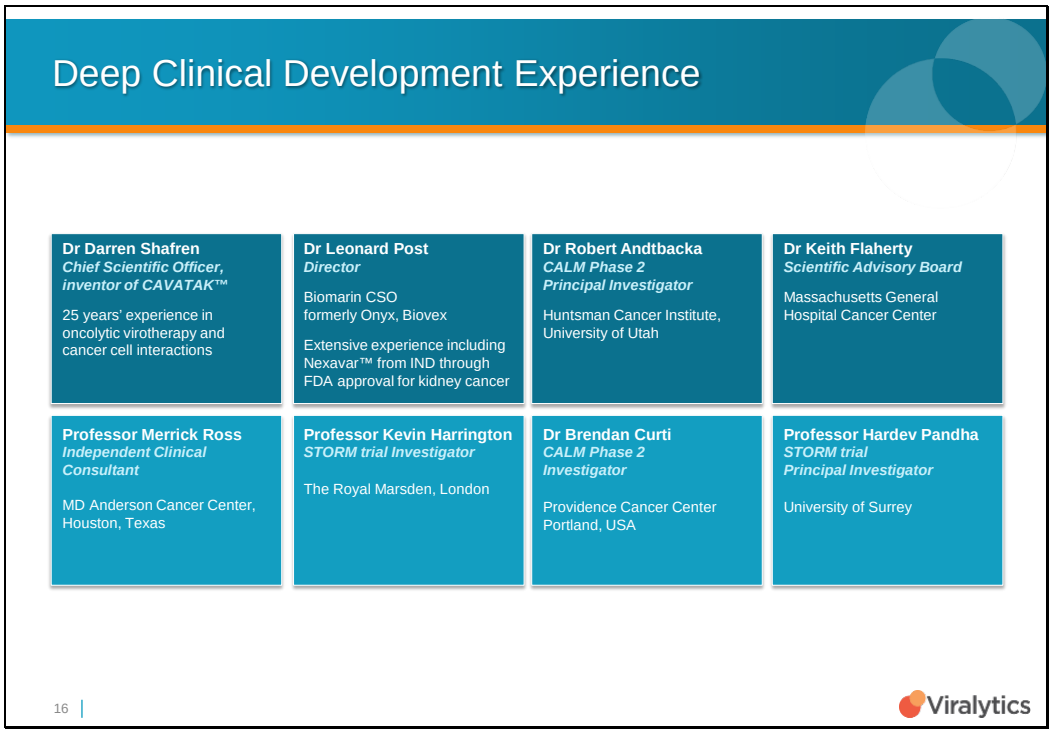
Slide 15



In March this year we initiated a Phase 1/2 multiple intravenous dosing study in the UK in approximately 30 patients with advanced melanoma, prostate, lung, or metastatic bladder cancer. Called the STORM trial, this study enables us to assess CAVATAK in some of the most common solid cancer types. If the STORM trial demonstrates that CAVATAK has activity when delivered intravenously, it would considerably expand the market opportunity.

We have now progressed through the first two cohorts in the study, with administration of CAVATAK to a total of six patients. We are now enrolling into the third cohort and aim to provide some preliminary results in the first quarter of 2015.

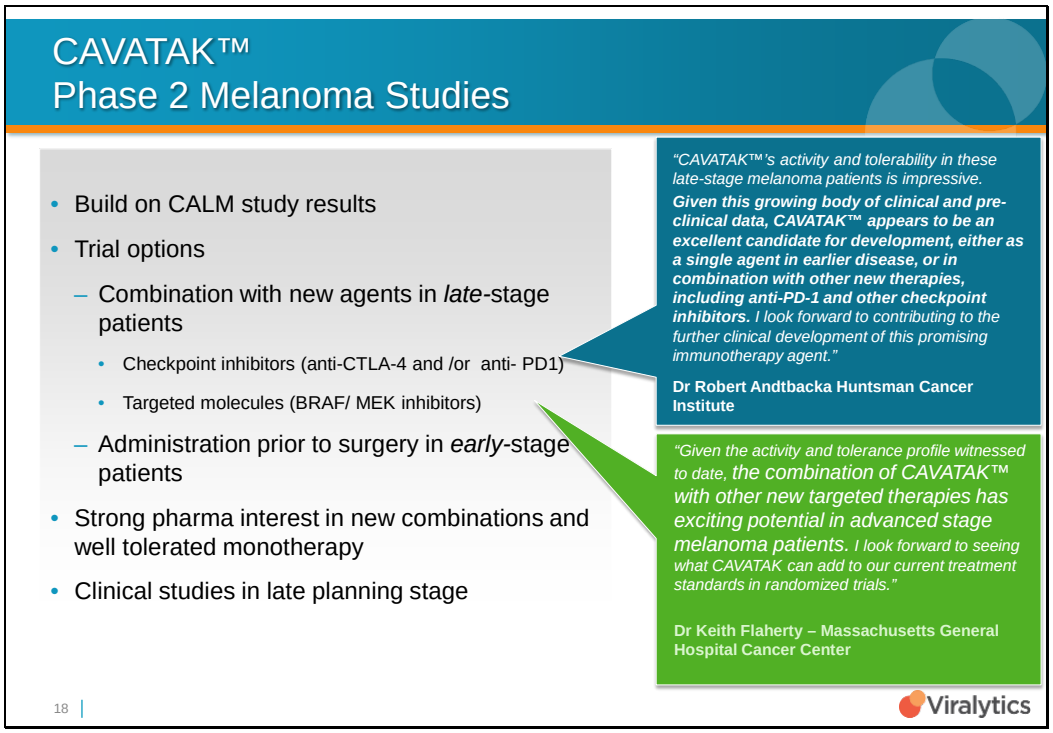
Slide 16



We are very proud of the team we have assembled to guide the clinical development of CAVATAK. Our CSO, Dr Shafren, has driven the program forward through achievement of the IND and now near-completion of a successful Phase 2 study in the US. Dr Post, one of our non-executive Directors, has an outstanding track record in oncology drug development and association with highly regarded US biotech companies. In addition, we are privileged to work with several thought leaders in the global oncology community, including some of the top oncologists in the melanoma and solid cancer field.

Slide 17

Slide 18

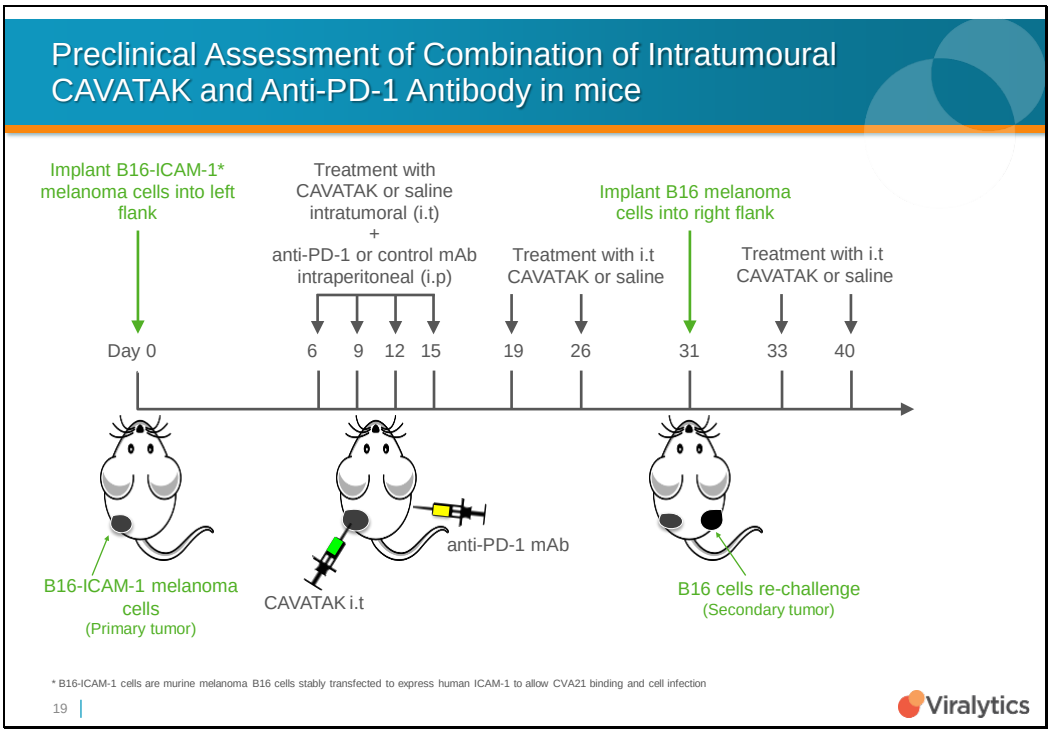


We are actively developing the plans for future studies in conjunction with our clinical team. These plans are focused on two broad strategies, both of which offer excellent commercial opportunities.

The first is to study the combination of CAVATAK with new agents, including the checkpoint inhibitors and potentially the new targeted molecules such as BRAF/ MEK inhibitors. There is a strong commercial and scientific rationale for this approach. The second is to assess the administration of CAVATAK at an earlier stage of disease, prior to surgical resection. The aim in this setting is to reduce the tumour burden prior to surgery and also potentially to stimulate a host immune response. We would then assess disease recurrence post-surgery and compare that with treatment by surgery alone.

Our investigators, including both Dr Andtbacka and Dr Flaherty, have expressed strong support for further studies in both of these indications. The design and conduct of these next studies are now in the late planning stage, and we will have more news in the coming weeks.

Slide 19

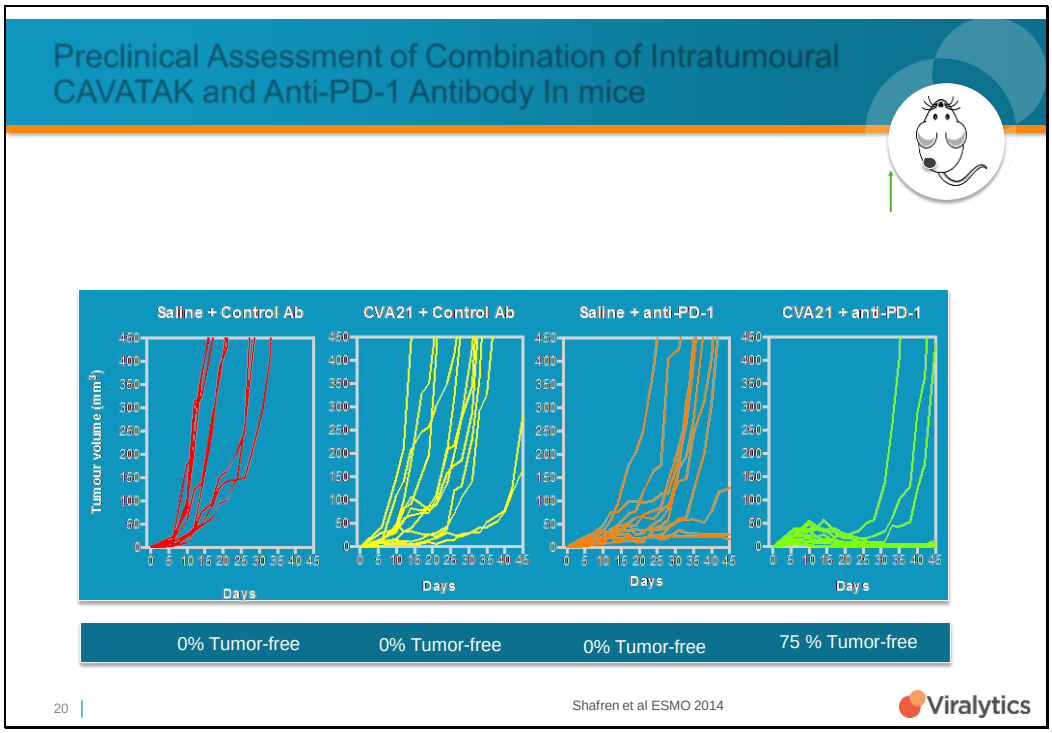


Our interest in pursuing combination studies of CAVATAK is supported by some exciting preclinical results on the combination of CAVATAK with checkpoint inhibitors. As mentioned earlier, checkpoint inhibitors include the anti-PD-1 monoclonal antibodies that are forecast to be future blockbuster drugs with multibillion dollar revenues.

In one preclinical study, we assessed the activity of CAVATAK given in combination with an anti-PD-1 antibody. We dosed subcutaneously with a mouse melanoma tumour expressing human ICAM-1. The mice were then dosed with intralesional CAVATAK™ and /or intraperitoneal anti-PD1.

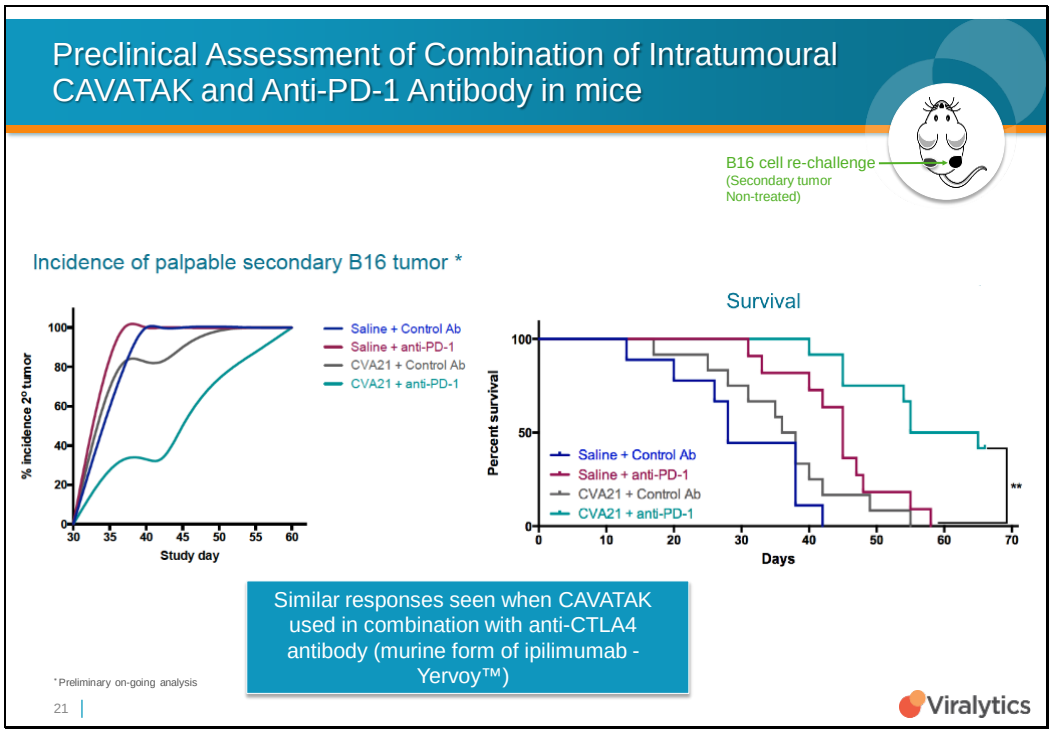
Cancer growth rates were measured, and then subsequently on day 31, the mice were re-challenged with a subcutaneous injection of melanoma tumour cells (B16) not expressing ICAM 1, and then monitored for the development of a secondary palpable tumour.

Slide 20



As can be seen in this slide, the combination treatment of CAVATAK plus the anti-PD1 antibody was superior in delaying and preventing growth of the primary tumour. The results demonstrate that 75% of the mice treated with the combination were tumour free, compared with 0% for all other groups. This is an exceptional result for this very aggressive cancer cell line.

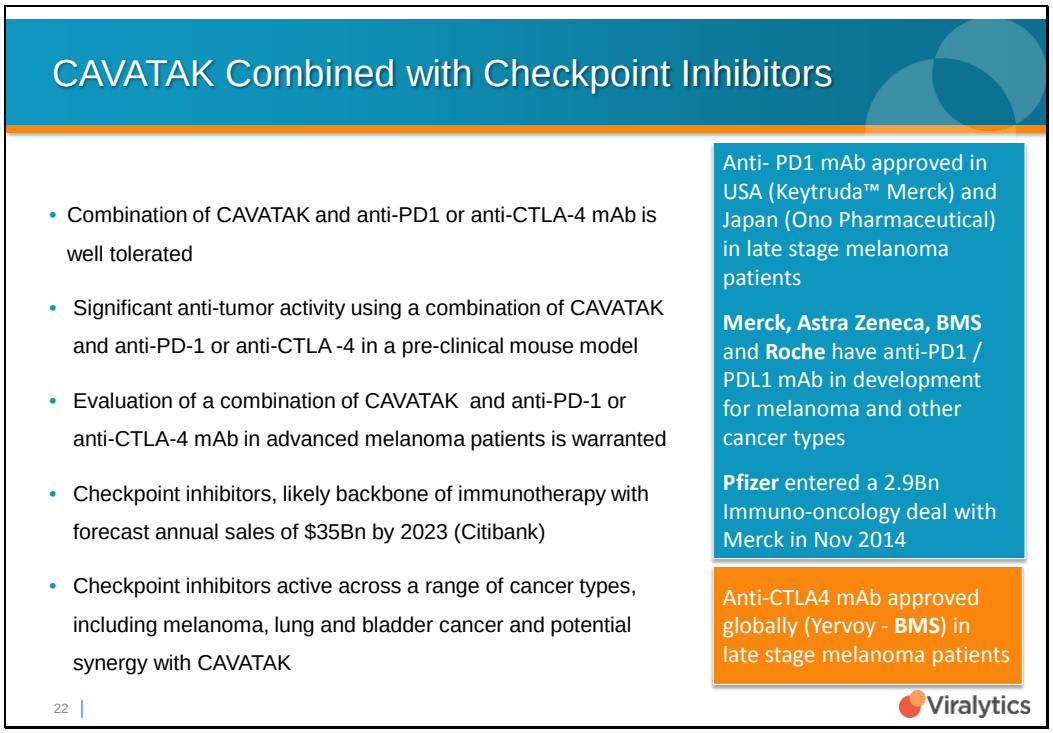
Slide 21



In the second phase of the study, the mice were rechallenged with a melanoma cell line lacking the ICAM-1 protein. The mice were then monitored for the development of a secondary tumour. The results demonstrate that the combination treatment of CAVATAK and anti-PD1 was superior in delaying the regrowth of the tumour. This is a very exciting observation, since it indicates that the anti-cancer activity in this case was due to an anti-tumour immune response.

We conducted a further study with another important checkpoint inhibitor, anti-CTLA4, a blockbuster drug known as Yervoy, and achieved similar impressive outcomes. These elegant studies have been presented to major global oncology conferences and Dr Shafren's work has been recognised as pioneering in the field and a major advance in demonstrating the potential for synergy between checkpoint inhibitors and CAVATAK.

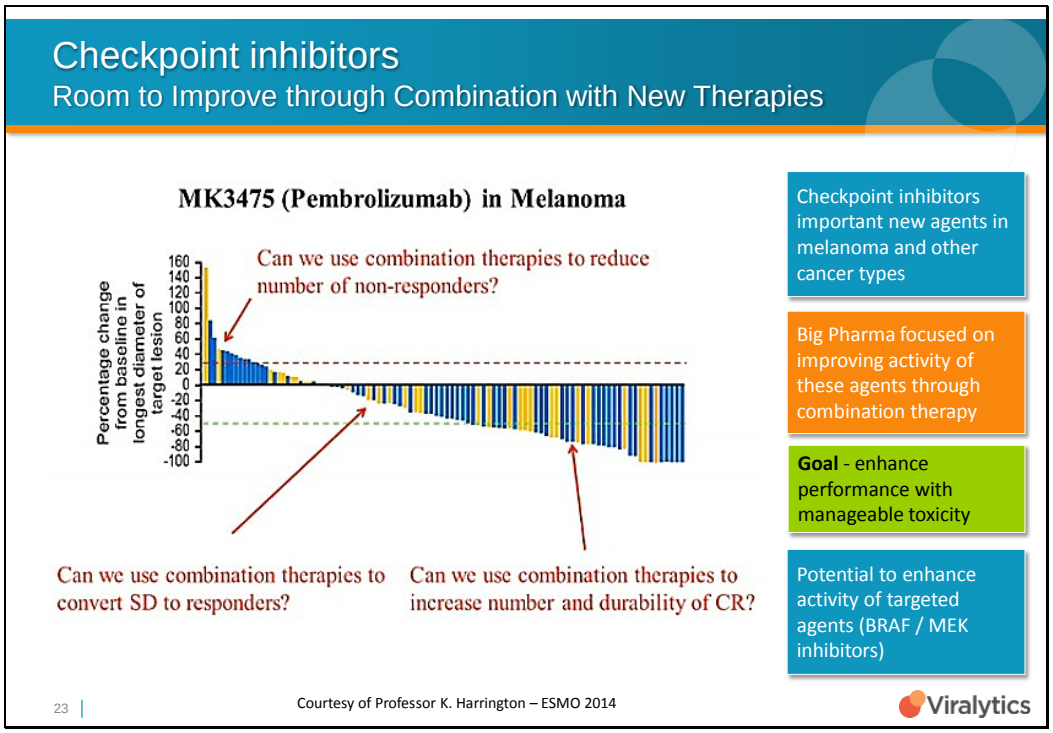
Slide 22



The results of these preclinical studies provide encouragement that the combination of CAVATAK with these new high-value immunotherapies may offer significant benefits to patients. These checkpoint inhibitors have activity across a broad range of cancer types, including melanoma, lung and bladder cancer.

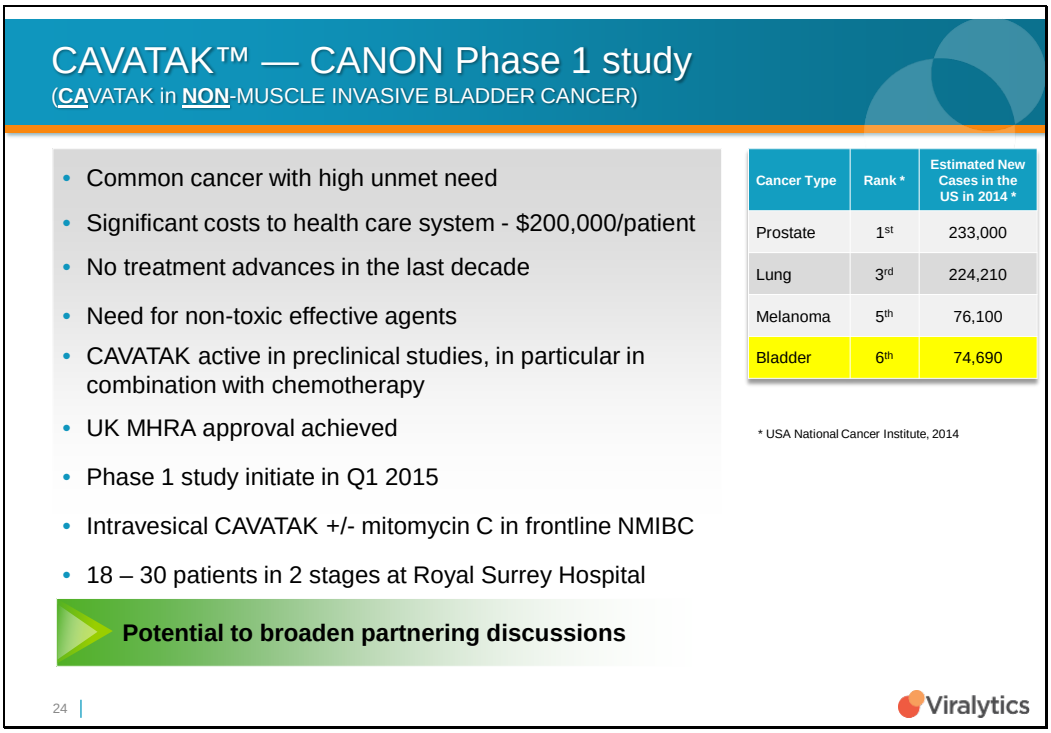
There have been significant recent developments in this space where future sales have been forecast at $US 24 billion per annum according to a 2013 Citigroup report. Most recently, earlier in November, Pfizer committed $2.9 billion to an immuno-oncology pact with Merck KGaA to co-develop technologies in return for a share of future royalties.

Slide 23



However, as this slide indicates, as good as these anti PD-1 agents are, many patients still do not respond or retain stable disease. The opportunities for combination treatments include reducing the number of non-responders, translating stable disease into a complete response, and increasing the durability of complete response in the patient population. Clearly, there is room for considerable improvement and this may be achieved by selecting the right combination therapy. This is a very hot space for big pharma at present and applies to both the checkpoint inhibitors and the new targeted therapies such as BRAF / MEK. We believe that CAVATAK is an excellent candidate for studies of this type and are rapidly advancing our plans to initiate combination studies in man

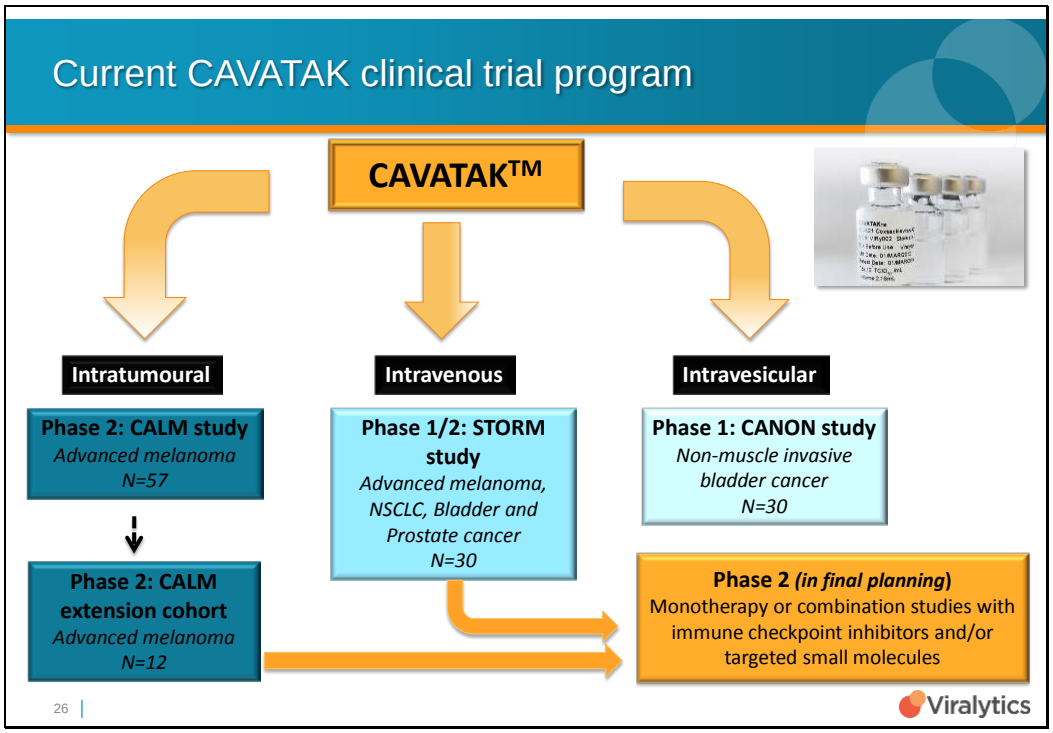
Slide 24



In terms of our second clinical strategy – to investigate the use of CAVATAK in early-stage disease – we are pleased to report that we have received approval from the UK regulatory agency, the MHRA, to commence a Phase 1 clinical study of CAVATAK in patients with superficial, or non-muscle invasive bladder cancer. There is a high unmet need for more effective and less costly therapies for this common cancer type. We have seen very promising results in preclinical studies assessing CAVATAK in bladder cancer cell lines, both alone and in conjunction with chemotherapy. The trial has been designed so that CAVATAK will be given in the frontline setting, or ahead of other therapies, to patients who are schedule to undergo surgery. The study will be conducted by Professor Pandha at the University of Surrey, and should be initiated in Q1 2015.

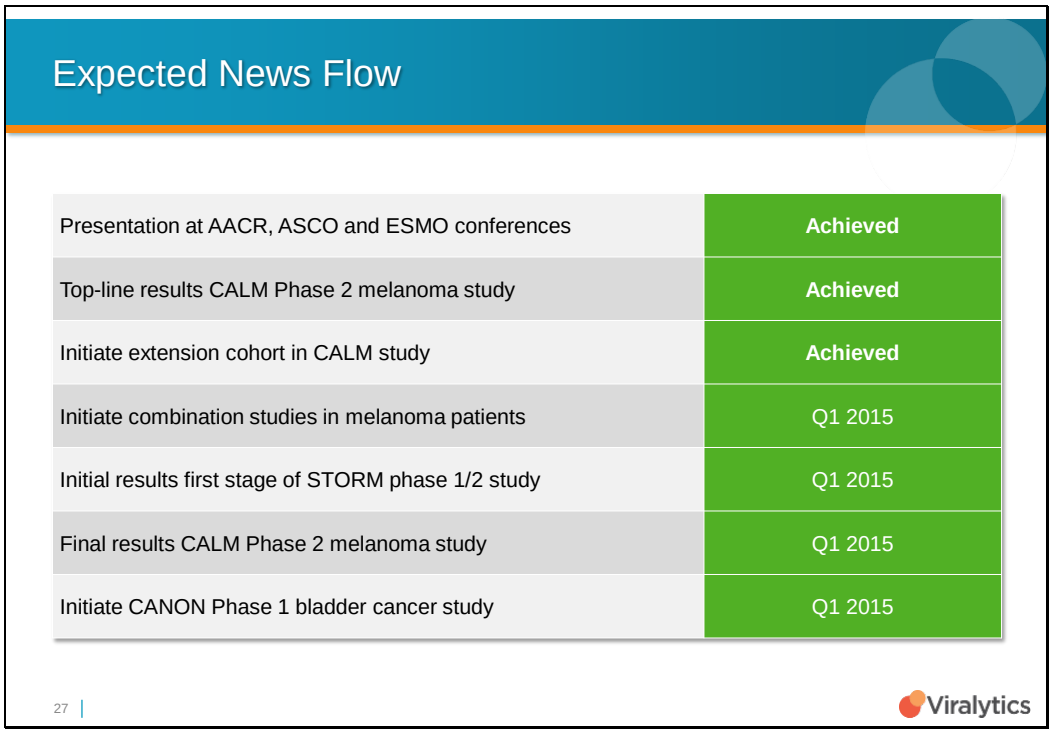
Slide 25

Slide 26



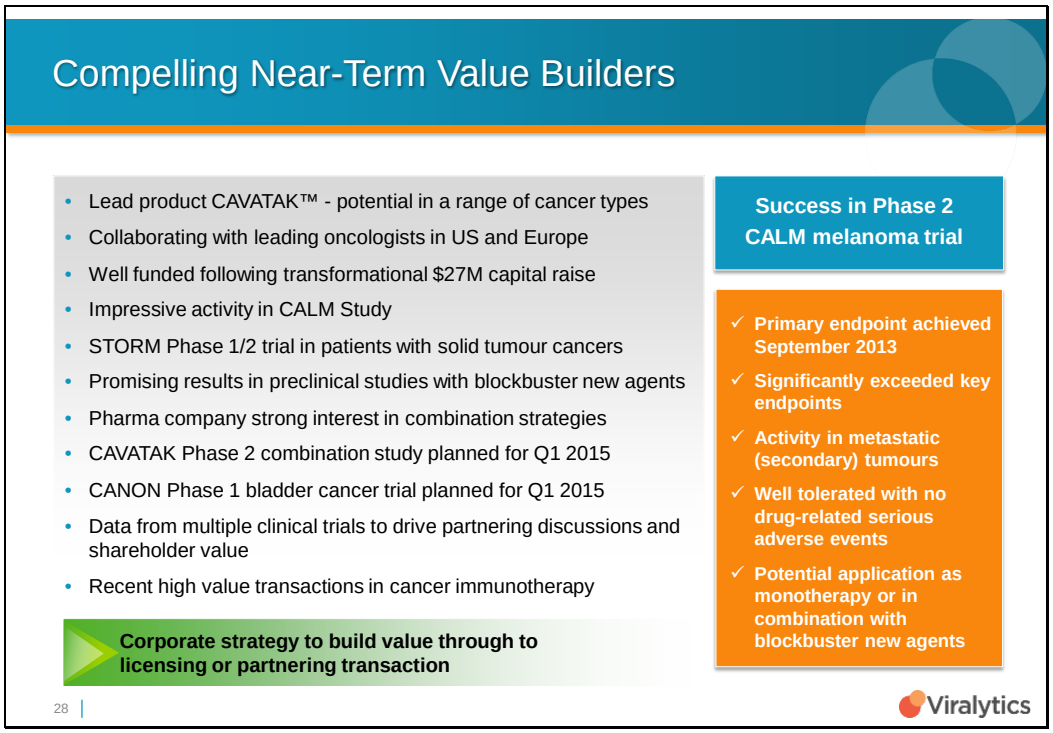
An overview of our clinical development program shows that we are focused on the substantial opportunity for CAVATAK across a range of important cancer types as well as in multiple treatment settings, including administration by direct injection into the tumour, intravenously, or directly into the bladder – a method known as intravesical delivery. There is also the potential based on preclinical studies to administer CAVATAK in combination with the checkpoint inhibitors, new targeted molecules or the widely applied traditional cytotoxic agents.

Slide 27



We have achieved important milestones in recent months, and in particular have enjoyed significant attention at the major oncology conferences in the US and Europe, lifting our profile with the investment and big pharma community. In the first quarter of 2015, we look forward to reporting initial data from our STORM study and final survival data from our CALM study, as well as initiating combination clinical trials in melanoma and our Phase I trial in bladder cancer.

Slide 28



We believe Viralytics remains undervalued considering the progress made on our clinical programme in the past 12 months and more. CAVATAK is a unique oncolytic immunotherapy that has broad potential application across a range of cancer types with compelling Phase 2 clinical data and strong support from leading oncologists in the US and Europe.

We have completed a transformational capital raise and now include some of the leading institutional healthcare institutions among our investors. We have sufficient funds to complete our key studies, and we are on our best ever footing for future success.

We have achieved success already in the CALM melanoma study. Today you have seen some examples of CAVATAK's activity in both injected and metastatic lesions. The tolerability of CAVATAK continues to impress us and the clinicians working on the studies.

We now have our important STORM study underway in a variety of solid-tumour cancers, with initial results due early next year.

We have seen very encouraging results in the preclinical setting when CAVATAK is combined with the blockbuster checkpoint inhibitors. We are now well advanced in preparations for combination studies, and success here could lead to a pivotal value-creating event.

We are soon to begin a Phase 1 study of CAVATAK in bladder cancer, based on promising preclinical results. There is a high unmet need for better therapies in this common cancer type.

Cancer immunotherapy is the most important new field in cancer treatment with considerable big pharma activity in collaborations and transactions. It is a hot space, and we believe that CAVATAK provides us with an outstanding opportunity to capitalize on the exciting momentum in the field.

Thank you and I am open to any questions.

Slide 29