

30<sup>th</sup> May 2014



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The Company Announcements Platform

ASX Limited

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## Virax Completes Acquisition of US Specialty Oncology Company and Novel Cancer Drug Candidate

### HIGHLIGHTS

- **Pathway Oncology acquisition finalised with Virax taking exclusive worldwide license to valuable drug candidate GGTI-2418**
- **Virax becomes mid-clinical stage oncology company, with Phase 2 clinical program expected 2015/16**
- **Overwhelming shareholder support for all scrip acquisition to be paid in three tranches**
- **High calibre international biotechnology executive Paul Hopper joins board as executive director**

**30<sup>th</sup> May 2014, Melbourne, Australia:** Australian biotechnology company Virax Holdings Limited (ASX:VHL) (**Virax**) has finalised the acquisition of specialty oncology company Pathway Oncology Pty Ltd (**Pathway**) and its novel cancer drug candidate GGTI-2418.

The acquisition immediately transforms Virax into a mid-stage clinical oncology company with the novel lead compound expected to move into further clinical trials in breast cancer and multiple myeloma in Q2 2015.

Under the terms of the acquisition agreement, Virax has issued 60 million Virax shares to the vendors with the issue of a further 180 million Virax shares to the vendors contingent on the meeting of major clinical and regulatory milestones. Each of the Pathway shareholders has agreed that the shares will be subject to a voluntary escrow period of 12 months from the settlement date.

As part of the transaction, esteemed Los Angeles based biotechnology executive Mr Paul Hopper will join the Board as an Executive Director. He brings more than 20 years experience in international public company markets, primarily in the life sciences sector. Mr Hopper has entered into an Agreement with the Company as an Executive Director, commencing at settlement of the Pathway transaction and for an ongoing term subject to termination by the Company with 2 months' notice. Mr Hopper will be entitled to an annual base fee of \$90,000 per annum.

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Virax Executive Chairman Dr Wayne Millen said completion of the Pathway acquisition represented another important milestone for the Company.

“We will now seek to maximise shareholder value by progressing these novel and important assets through clinical programs, with plans to expeditiously launch Phase 2 trials of the technology in breast cancer and multiple myeloma – both diseases with a high unmet need for new therapies. The GGTI-2418 is an asset potentially synergistic with existing standards of care or as a monotherapy. It is a compelling acquisition which we believe holds great potential up-side for Virax shareholders.

“In addition, the appointment of an experienced biotechnology executive of Paul Hopper’s calibre adds further weight to our executive team as we move forward.”

GGTI-2418 is a novel, first in class cancer immunotherapeutic with ability to block an important cancer growth enzyme known as GGTI, as well as Ral and Rho circuits in cancer cells which are key oncogenic survival pathways. The technology emanates from a collaboration between Yale University and the Moffitt Cancer Centre, which is the third largest cancer centre in the United States.

The drug has been shown to cause significant breast tumor regression in ErbB2 transgenic mice models. A strong safety profile was established in a US Phase 1 clinical trial where four patients with advanced stage, treatment-refractory solid tumors demonstrated stable disease.

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### **About Virax**

Virax is a biopharmaceutical company currently engaged in the discovery and development of novel immunotherapeutic products for the treatment of cancer. It holds an exclusive worldwide license to the novel cancer immunotherapeutic compound GGTI-2418. In addition the Company has granted a licence to major French biotechnology company Transgene for access to its Co-X-Gene™ platform technology for use in two of Transgene’s immunotherapeutic products. These are: TG4001 – a treatment for pathologies relating to human papilloma virus (HPV), an infection that can lead to oropharyngeal(head and neck) cancers, and TG4010 – a treatment for non-small cell lung cancer (NSCLC). The Board is actively seeking to expand its asset base with complementary technologies to maximise shareholder value.