

ASX/Media Release
31 July 2017

CE Mark & Quarterly Activity Update Quarter ended 30 June 2017

Investor Call to discuss Quarterly Results and Outlook at 9:00 am AEST, 8 August 2017

Sydney, Australia – 31 July 2017: 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 30 June 2017 (the **Quarter** or **4Q 17**). All financial results are in Australian dollars and are unaudited.

Key points

- Accelerated operational progress, with 10 major cancer treatment centres now activated
- 13 patients now enrolled into current study (up from 1 patient at the end of FY3Q 17)
- 4 patients in study group implanted with OncoSil™ device
- 1 Compassionate access patient implanted with OncoSil™ device on 21 July
- Cash balance as at 30 June of \$8.0m, with cash outflow from operations for the quarter of \$2.4m

OncoSil Chief Executive Officer, Daniel Kenny commented:

“Our team’s primary focus during the past quarter has been to continue driving patient recruitment to our activated sites which are part of our global study programme – with additional sites now on board, including leading sites in both the UK and US, we look forward to reaching our goal of 20 patients over the coming weeks, and providing the required supplemental data to BSI for CE Mark approval.

While I am encouraged by our current rate of recruitment and the growing list of globally prestigious cancer centres involved in our clinical programme, recruitment for this study is challenging.

The Company will need to accelerate operational performance in the coming weeks if it is to secure CE Mark in 2017. However, given the significant advances in 2017, and particularly in this past quarter, OncoSil’s Board is confident that we are proceeding in the right manner and should near full patient recruitment in the coming weeks.”

CE Mark Update

As previously announced to the market, BSI (the Company’s Notified Body to secure CE Marking for the OncoSil™ device), requested supplemental data from 20 subjects.

Recruitment for a study of this nature is a complex and challenging process, this has resulted in slower than expected site activation leading to a much slower recruitment rate than planned so far for this year. To date with 13 patients recruited the Company will need to accelerate operational performance if it expects to submit data in sufficient time for the Notified Body to make a decision by end of calendar year.

Centre Activation and Patient Enrolment

Efforts to increase the number of active centres and enrolled patients accelerated in FY 4Q 17. By the end of the quarter, 13 subjects had been recruited for the global clinical study in pancreatic cancer (out of a total 20 subjects required to meet the supplemental data request to secure CE marking)

- 4 patients in the study group have been implanted with the Oncosil™ device at Monash Health, Melbourne, following the initial 4-week chemotherapy course
- Implant procedure outcomes are consistent with those documented in prior clinical studies with Oncosil™ in pancreatic cancer
- Additionally, a compassionate access patient was implanted with the device on 21 July at St Vincent's Hospital, Sydney
- 10 centres across Australia, UK and US are now active and recruiting subjects
- A further 5 centres have received Ethics Approval (a key step prior to site activation) and centre initiation discussions are ongoing with an additional 3 centres

Country	Activated Site Name
USA	Moffitt Cancer Center
USA	MD Anderson Cancer Center
UK	University of Leicester
UK	Hammersmith Hospital
UK	Guy's & St Thomas' NHS Foundation
Australia	Westmead Hospital
Australia	Royal Adelaide Hospital
Australia	Corrimal Cancer Care Clinic
Australia	St Vincent's Hospital Sydney
Australia	Monash Health

Other operational progress

US FDA patient data restriction lifted.

A long-standing goal of the company is to launch a full-scale trial of Oncosil in the US. A pre-requisite for this trial is the collection of safety data from 20 patients implanted with Oncosil. Until recently, the FDA indicated that all 20 patients were required to be US based. On July 11, the US FDA confirmed that data from 10 patients in recognised non-US centres would be eligible for inclusion. This will allow the Company to meet the necessary requirements in a quicker timeframe, with greater flexibility and at a lower cost, and recognises the high-quality centres we are working with outside the US.

Establishment of R&D laboratory with CSIRO & Fledge Innovation Labs – laboratory co-located within CSIRO site at West Linfield, Sydney, used as hub for Company research and late-stage development work moving forward.

Signing of supply contract with the Australian Nuclear Science and Technology Organisation (ANSTO) – covers production of isotope critical in the manufacture OncoSil Microparticles.

Corporate and Financial

Cash balance as at 30 June 2017 of \$8.0m, with cash outflow from operations for the quarter of \$2.4m

Appointment of Dr Chris Roberts, AO to Non-Executive Chairman – highly regarded director and senior executive with over 40 years' experience in the development and commercialisation of medical technologies.

Dr Roger Aston will continue his involvement with OncoSil as a Non-Executive Director alongside Dr Martin Cross.

Investor Conference Call

The Company will hold a conference call at **9:00 am AEST on 8th August 2017** 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: 302901

Australian Toll Free:	1800 908 299
Australia Local (if dialling from international location):	+61 2 9007 8048
New Zealand Toll Free:	0800 452 795
Hong Kong Toll Free:	800 968 273
Singapore Toll Free:	800 101 2702
China Toll Free:	1080 0140 1776
United Kingdom Toll Free:	0800 051 1453
United States/Canada Toll Free:	1855 624 0077

- 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.

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")

30 June 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(1,289)	(3,058)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(920)	(4,275)
(f) administration and corporate costs	(277)	(1,578)
1.3 Dividends received (see note 3)	-	18
1.4 Interest received	50	224
1.5 Interest and other costs of finance paid	-	
1.6 Income taxes paid	-	
1.7 Government grants and tax incentives	-	2,297
1.8 Other (provide details if material)	68	107
1.9 Net cash from / (used in) operating activities	(2,368)	(6,265)

2. Cash flows from investing activities

2.1 Payments to acquire:

(a) property, plant and equipment	(26)	(35)
(b) businesses (see item 10)		
(c) investments		

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	(26)	(35)
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	950	950
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	950	950
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	9,443	13,356
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,368)	(6,265)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(26)	(35)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	950	950

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	1	(6)

4.6	Cash and cash equivalents at end of quarter	8,000	8,000
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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	8,000	9,318
5.2	Call deposits	0	125
5.3	Bank overdrafts	0	0
5.4	Other (provide details)	0	0
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	8,000	9,443

6. Payments to directors of the entity and their associates

6.1 Aggregate amount of payments to these parties included in item 1.2

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

Current quarter \$A'000
48

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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 <i>Add notes as necessary for an understanding of the position</i>	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.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	1,000
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	950
9.6 Administration and corporate costs	350
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	2,300

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:



(Director/Company secretary)

Date: 31st July 2017

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.

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