4 July 2017

NB: this is a summary translation of the press release original drafted in Japanese for the disclosure in compliance with the TSE regulations. In case of any discrepancy, the Japanese original shall prevail.

Oncolys BioPharma Inc.

Oncolys Confirms OBP-1101(TelomeScan F35) US Patent Issued

Onoclys BioPharma ("Oncolys") is pleased to announce that it received a notice from its patent attorney that the United States Patent and Trademark Office ("USPTO") issued the patent for OBP-1101(TelomeScan F35), a new specific gene-modified adenovirus for cancer detection. The new patent extends Oncolys' intellectual property rights related OBP-1101 in the territory to February 2032.

OBP-1101 is a gene-modified virus that is incorporated not only micro-RNA target sequence inhibiting the growth in normal blood cells but also fiber gene of adenovirus type 35 into virus gene sequence of OBP-401 (TelomeScan®). With improved transmission-efficiency and sensitivity in comparison with TelomeScan®, it is expected that OBP-1101 brings better high-grade CTC detection outcomes while it also offers the possibility of application for genetic test using the same blood sample. Oncolys has been eagerly pursuing the research using this adenovirus with academic institutions and business enterprises in Japan and overseas, aiming to develop the technology into an irreplaceable supporting tool in the clinical settings, for medical doctors to decide on therapeutic options and to monitor efficacy and prognosis of the treatment, and for very-early cancer detection.

The patent was originally applied by National Institutes of Biomedical Innovation, Health and Nutrition (NIBIOHN) and was licensed exclusively to Oncolys which now has the exclusive global rights to OBP-1101.

The announcement above will not affect Oncolys' earnings for the fiscal year ending 31 December 2017.

Ends

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About Oncolys BioPharma Inc.

Oncolys BioPharma is a TSE Mothers-listed biopharmaceutical company with focuses on the development of novel biologics for the treatment of cancer and infectious diseases. The company's lead product for the treatment of cancer, Telomelysin® (OBP-301), is based on replication-competent oncolytic virus, and is being tested in Phase I/II clinical trial in Asia and Phase II in the USA, for various solid tumors. A novel cancer diagnostic product, TelomeScan®

(OBP-401/1101), is expected to be effective as companion diagnostic tool in detecting various types of cancer and inflammatory diseases and adopted in several private practices. The company also has a major program OBP-601 (Censavudine) for infectious diseases, for which it completed Phase II clinical trial in the U.S. for HIV/AIDS therapy, supported by BMS. For more information, please visit http://www.oncolys.com/en/

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