

NB: this is a summary translation of the press release original drafted in Japanese for the disclosure required in compliance with the TSE regulations.

15 June 2016

Oncolys BioPharma Inc.

Announcement of a Joint Research Agreement with Graduate School of Medicine, Kyoto University

Oncolys BioPharma (“Oncolys”) is pleased to announce that it approved the execution of a joint research agreement with a research group led by Professor Makoto Noda, Department of Molecular Oncology, Graduate School of Medicine, Kyoto University, to investigate new compounds which activate a human gene called RECK (Reversion-inducing-cysteine-rich protein with kazal motifs), using Professor Noda’s unique valuation system. RECK is known to function as a tumor cell normaliser and a couple of related lead compounds have been already identified in Professor Noda’s research to date. Now Oncolys and the group aforesaid will specifically focus on discovering the compounds with a high normalizer-activity with low toxicity in particular, aiming to find a way to apply them in new tumor treatments.

Today, there are approximately 1,000,000 new cancer cases diagnosed and 37,000 cancer deaths in Japan every year. According to age brackets, the disease prevalence starts to increase with the group of 50 years old and above. On the other hand, the fact that surgery, chemotherapy, and radiotherapy, which are the three major cancer treatments available nowadays, require patients to bear severe physical burdens of resecting and/or directly killing tumor cells, means that it could be difficult for the elderly with poor physical strength or low visceral functions to receive such anti-cancer therapy. Given the current aging global population, especially in the developed countries, there is an increasing demand to improve further the way that cancer treatments work with the elderly patients.

The aim of this joint study is to explore a new type of cancer remedy build on the concept of a prolonged survival by suppressing cancer progression and metastasis while maintaining patient’s QOL, by means of “normalizing” tumor cells, without killing them. The outcomes of this joint research shall be reported in the research article or in the relevant conference as both parties deem appropriate.

The announcement above will not affect Oncolys’ earnings for the fiscal year ending 31 December 2016.

Ends

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, OBP-301 (Telomelysin®), is based on replication-competent oncolytic virus, and is being tested in Phase I/II clinical trial in Asia, for various solid tumors. A novel cancer diagnostic product, OBP-401 (TelomeScan), is expected to be effective in detecting various types of cancer and inflammatory diseases and adopted in several private practices. The company also has a major program OBP-601 (Festinavir) for infectious diseases, which has completed Phase II clinical trial in the U.S. for HIV/AIDS therapy, supported by BMS. OBP-601 is a novel NRTI with highly promising safety and resistance profiles. For more additional information, please visit www.oncolys.com

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