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

June 15, 2020

Oncolys BioPharma Inc.

Announcement of License Agreement for Nucleotide Reverse Transcriptase Inhibitor "OBP-601 (Censavudine)"

Oncolys BioPharma Inc. (hereafter, "Oncolys") and Transposon Therapeutics, Inc. (hereafter, "Transposon") announced today that both companies have entered into an agreement under which Oncolys will grant an exclusive worldwide license, with sublicensing rights, to Transposon for the nucleoside reverse transcriptase inhibitor (NRTI) OBP-601.

1. History

   Oncolys originally licensed OBP-601 from Yale University, and has been developing the compound as an anti-HIV drug candidate since 2006.

   Recently, research conducted by Transposon and its academic collaborators showed that OBP-601 potently inhibits a new target enzyme that has been implicated in neurodegenerative diseases and diseases of aging.

   Because of these promising research results, Transposon will conduct clinical trials with OBP-601 in a variety neurodegenerative diseases.

   Due to its newly discovered biological activity OBP-601 has the potential to become a new treatment modality for a number of neurological and aging-related diseases where there is currently no effective treatment available.

2. Summary of the agreement
   a) The total amount of upfront, development and sales milestone payments agreed to by both companies is in excess of $ 300 million.
   b) Oncolys will receive from Transposon royalties on sales of OBP-601.
   c) If Transposon sublicenses OBP-601 to a third-party pharmaceutical company, Oncolys will receive a share of the revenue received by Transposon from the sublicensee.

3. Comments by the Management

   Yasuo Urata, President & CEO, Oncolys BioPharma Inc.

   "This license expands a completely new development for us, who thought that the clinical application of OBP-601 is limited to treatment of HIV infection, and we have great expectations for new developments such as ALS and Alzheimer's disease."

   Eckard Weber MD, CEO of Transposon Therapeutics, Inc. commented:

   "Transposon Therapeutics Inc. is delighted to enter into a license agreement with Oncolys Biopharma for the development and commercialization of OBP-601. Transposon has discovered a new molecular target and a new potential use for OBP-601 for the treatment of neurodegenerative diseases and it plans to develop OBP-601 for these new indications world-wide. OBP-601 has shown excellent safety and efficacy in Phase 2b human clinical trials in HIV patients before its development for HIV was stopped because of a declining market opportunity for new anti-HIV drugs. Because of the demonstrated favorable human safety profile of

TRANSLATION

OBP-601, Transposon will be able to enter the compound into clinical trials in the new neurodegenerative disease indications under an accelerated timeline. If approved, OBP-601 would address important unmet medical needs in the new disease indications to the benefit of patients and their families everywhere."

4. Transposon Overview

(1) Company Name	Transposon Therapeutics, Inc.
(2) Address	285 Riverside Ave., Suite 250 Westport, CT 06880 USA
(3) Representative	Eckard Weber,MD, CEO
(4) Main operations	Development of therapies for neurodegenerative diseases and diseases of aging
(5) Capital	0.1 m JPY
(6) Establishment	December 17, 2019

(7) Main shareholder

Axcelius Holding Company LLC	88%	Venture capital
Eckard Weber	4%	Founder & CEO of Transposon
Dennis Podlesak	4%	Cofounder and Chairman of Transposon
Others	4%	

(8) Relations

Capital	None
Human	None
Business	Revenues from development and commercialization of OBP-601
Related party transaction	None

(9) Financial information (m JPY)

	FY2019 (Dec. 17-31)	Ref. (Jan. 1 – April 20)
Net assets	- 28	- 135
Total assets	0	389
BPS (¥)	- 2.9	- 13.8
Sales	-	-
Operating income	- 28	- 107
Ordinary income	- 28	-107
Net income	- 28	-107
EPS (¥)	- 2.9	- 10.9
DPS (¥)	-	-

Note: Transposon was established in December 2019.

5. Date

Board meeting	June 15, 2020
Signing date	June 16, 2020 (est.)
Effective date	June 16, 2020 (est.)

TRANSLATION

As disclosed in the "Non-consolidated Financial Results for the Fiscal Year Ending December 31, 2020 [Japanese GAAP]", released on 8 May, 2020, Oncolys has not announced its business performance forecasts for the business term ending December 2020, since the company views it difficult to calculate appropriate and reasonable numerical value due to the existence of numerous uncertain factors that impact the business performance at this point.

Ends

###

About Oncolys BioPharma Inc.

Oncolys BioPharma develops novel cancer therapeutics and diagnostic products using gene modified viral technologies and aims to contribute to fulfill unmet medical needs for cancer and severe infectious diseases. Especially in oncology area, we utilize technology platform for oncolytic virus and develop Telomelysin and its next-generations for cancer treatment and TelomeScan for early detection of cancer and recurrence monitoring after surgery. We have established broad range of product pipeline to cover early detection of cancer, early treatment of local cancer, post-operative examination, and treatment of metastatic cancer. For more information, please visit http://www.oncolys.com/en/

Oncolys BioPharma Inc.
Email: oncolys_information@oncolys.com

TRANSLATION