UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM TO .**

Commission file number: 001-38512

ONCOLYTICS BIOTECH INC.

(Exact name of Registrant as specified in its charter)

Nevada	**98-0541667**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
4350 Executive Drive, Suite 325	
San Diego, California	**92121**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(403) 670-7377**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	ONCY	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated Filer ☒	Smaller reporting company ☒
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

As of August 10, 2026, the registrant had 127,510,505 common shares outstanding.

ONCOLYTICS BIOTECH INC.

FORM 10-Q

June 30, 2026

TABLE OF CONTENTS

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

All references in this quarterly report on Form 10-Q to the terms "we," "our," "us," "the Company," and "Oncolytics" may refer, as the context requires, to Oncolytics Biotech Inc., or collectively to Oncolytics Biotech Inc. and its subsidiaries. Unless otherwise indicated, all references to "$" and "dollars" in this report mean U.S. dollars.

Certain statements in this report and the documents attached as exhibits to this report, constitute "*forward-looking statements*" within the meaning of the United States Private Securities Litigation Reform Act of 1995, as amended. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Oncolytics Biotech Inc., or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are statements that are not historical facts, and include, but are not limited to, estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to the efficacy of our technologies; the timing and results of clinical studies related to our technologies; future operations, products and services; the impact of regulatory initiatives on our operations; the size of and opportunities related to the markets for our technologies; general industry and macroeconomic growth rates; expectations related to possible joint and/or strategic ventures and statements regarding future performance. Forward-looking statements generally, but not always, are identified by the words "expects," "anticipates," "believes," "intends," "estimates," "projects," "potential," "possible" and similar expressions, or that events or conditions "will," "may," "could" or "should" occur.

The forward-looking statements in this report are subject to various risks and uncertainties, most of which are difficult to predict and generally beyond our control. Some of the important risks and uncertainties that could affect forward-looking statements are described further under the section heading "*Item 1A. Risk Factors*" below. If one or more of these risks or uncertainties materializes, or if underlying assumptions prove incorrect, our actual results may vary materially from those expected, estimated or projected. Forward-looking statements in this document are not a prediction of future events or circumstances, and those future events or circumstances may not occur. Given these uncertainties, users of the information included herein, including investors and prospective investors are cautioned not to place undue reliance on such forward-looking statements. Investors should consult our quarterly and annual filings with the securities commissions or similar regulatory authorities in Canada and the United States ("U.S.") Securities and Exchange Commission ("SEC") for additional information on risks and uncertainties relating to forward-looking statements. We do not assume responsibility for the accuracy and completeness of these statements.

Forward-looking statements are based on our beliefs, opinions and expectations at the time they are made, and we do not assume any obligation to update our forward-looking statements if those beliefs, opinions, or expectations, or other circumstances, should change, except as required by applicable law.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ONCOLYTICS BIOTECH INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts)

	June 30, 2026 (unaudited)	December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 4,115	$ 5,202
Other receivables	1,214	573
Prepaid expenses	1,740	1,069
Total current assets	7,069	6,844
Property and equipment, net	202	228
Right-of-use assets	400	510
Total assets	$ 7,671	$ 7,582
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable	$ 3,405	$ 3,504
Accrued liabilities	1,682	2,327
Operating lease liabilities, current	138	193
Warrant derivative	—	77
Total current liabilities	5,225	6,101
Contract liability	4,910	4,910
Stock option liability	3,393	—
Operating lease liabilities, non-current	310	370
Total liabilities	13,838	11,381
Commitments and contingencies (Note 10)		
Stockholders' Deficit:		
Common stock, par value $0.001; 1,000,000,000 authorized as of June 30, 2026. Common stock, no par value; Unlimited authorized as of December 31, 2025. 124,637,521 and 108,021,271 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively.	—	—
Additional paid-in capital	435,788	419,471
Accumulated other comprehensive income	6,225	6,225
Accumulated deficit	(448,180)	(429,495)
Total stockholders' deficit	(6,167)	(3,799)
Total liabilities and stockholders' deficit	$ 7,671	$ 7,582

See accompanying notes to the condensed consolidated financial statements.

ONCOLYTICS BIOTECH INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(unaudited)
(in thousands, except share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Operating expenses:				
Research and development	$ 4,262	$ 1,916	$ 8,814	$ 4,716
General and administrative	5,117	2,735	9,846	4,956
Total operating expenses	9,379	4,651	18,660	9,672
Loss from operations	(9,379)	(4,651)	(18,660)	(9,672)
Other income (expense):				
Change in fair value of warrant derivative	—	(77)	—	153
Fair value loss from Standby Equity Purchase Agreement ("SEPA Arrangement")	—	(388)	—	(388)
Foreign exchange gain (loss)	1	(200)	(5)	(237)
Interest income	37	100	81	217
Total other income, net	38	(565)	76	(255)
Loss before income taxes	(9,341)	(5,216)	(18,584)	(9,927)
Income tax expense	(101)	(61)	(101)	(61)
Net loss	(9,442)	(5,277)	(18,685)	(9,988)
Other comprehensive loss:				
Translation adjustments	—	(33)	—	77
Comprehensive loss	$ (9,442)	$ (5,310)	$ (18,685)	$ (9,911)
Basic and diluted net loss per share	$ (0.08)	$ (0.06)	$ (0.16)	$ (0.11)
Weighted average common shares outstanding - basic and diluted	119,739,942	90,999,586	116,036,833	87,833,107

See accompanying notes to the condensed consolidated financial statements.

ONCOLYTICS BIOTECH INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' (DEFICIT) EQUITY
(unaudited)
(in thousands, except share amounts)

	Three Months Ended				
	Number of Common Shares	Additional Paid-in Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total
Balance at December 31, 2025	108,021,271	$ 419,471	$ 6,225	$ (429,495)	$ (3,799)
Net loss	—	—	—	(9,243)	(9,243)
Issued pursuant to restricted share unit awards	10,317	—	—	—	—
Issued pursuant to at-the-market offering agreements, net of issuance costs	7,446,574	7,614	—	—	7,614
Issued pursuant to consulting service agreements	650,000	539	—	—	539
Reclassification of warrants	—	77	—	—	77
Stock option liability reclassification	—	(1,189)	—	—	(1,189)
Stock-based compensation expense	—	871	—	—	871
Balance at March 31, 2026	116,128,162	427,383	6,225	(438,738)	(5,130)
Net loss	—	—	—	(9,442)	(9,442)
Issued pursuant to at-the-market offering agreements, net of issuance costs	7,859,359	6,771	—	—	6,771
Issued pursuant to consulting service agreements	650,000	622	—	—	622
Stock-based compensation expense	—	1,012	—	—	1,012
Balance at June 30, 2026	124,637,521	$ 435,788	$ 6,225	$ (448,180)	$ (6,167)
Balance at December 31, 2024	80,020,131	$ 397,673	$ 6,361	$ (400,736)	$ 3,298
Net loss and other comprehensive loss	—	—	110	(4,711)	(4,601)
Issued pursuant to restricted share unit awards	1,098,511	—	—	—	—
Issued pursuant to at-the-market offering agreements, net of issuance cost	5,302,950	4,183	—	—	4,183
Stock-based compensation expense	—	845	—	—	845
Balance at March 31, 2025	86,421,592	402,701	6,471	(405,447)	3,725
Net loss and other comprehensive loss	—	—	(33)	(5,277)	(5,310)
Issued pursuant to restricted share unit awards	158,135	—	—	—	—
Issue pursuant to SEPA Arrangement	7,562,152	3,176	—	—	3,176
Issued pursuant to at-the-market offering agreements, net of issuance cost	3,266,024	1,746	—	—	1,746
Stock-based compensation expense	—	362	—	—	362
Balance at June 30, 2025	97,407,903	$ 407,985	$ 6,438	$ (410,724)	$ 3,699

See accompanying notes to the condensed consolidated financial statements.

ONCOLYTICS BIOTECH INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(in thousands)

	Six Months Ended June 30,	
	2026	**2025**
Cash flows from operating activities:		
Net loss	$ (18,685)	$ (9,988)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation of property and equipment	31	37
Non-cash lease expense	144	145
Stock-based compensation expense	4,087	1,207
Value of shares issued to consultants	1,387	—
Unrealized foreign exchange loss	20	261
Change in fair value of warrant derivative	—	(153)
Fair value loss from SEPA Arrangement	—	388
Value of shares issued for SEPA Arrangement commitment fees	—	440
Changes in operating assets and liabilities:		
Other receivables	(641)	(3)
Prepaid expenses	(897)	(924)
Accounts payable	(83)	354
Accrued liabilities	(645)	(456)
Operating lease liabilities	(149)	(147)
Net cash used in operating activities	(15,431)	(8,839)
Cash flows from investing activities:		
Acquisition of property and equipment	(6)	(1)
Net cash used in investing activities	(6)	(1)
Cash flows from financing activities:		
Proceeds from at-the-market offering agreements, net of issuance costs	14,385	5,929
Proceeds from SEPA Arrangement	—	2,348
Net cash provided by financing activities	14,385	8,277
Effect of exchange rate changes on cash and cash equivalents	(35)	205
Net decrease in cash and cash equivalents	(1,087)	(358)
Cash and cash equivalents, beginning of period	5,202	11,079
Cash and cash equivalents, end of period	$ 4,115	$ 10,721
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$ 101	$ 61

See accompanying notes to the condensed consolidated financial statements.

Note 1: Nature of Operations

Oncolytics Biotech Inc. is a Nevada corporation. The Company was originally incorporated on April 2, 1998, and completed a change in jurisdiction to the State of Nevada on March 31, 2026. This change in jurisdiction had no impact on our operations. Our shares are publicly traded on the Nasdaq Capital Market. Our principal place of business is located at 4350 Executive Drive, Suite 325, San Diego, California, U.S.

Unless otherwise indicated, all references in these financial statements to the terms "we," "our," "us," "the Company," and "Oncolytics" may refer, as the context requires, to Oncolytics Biotech Inc., or collectively to Oncolytics Biotech Inc. and its subsidiaries.

We are a clinical-stage biopharmaceutical company developing pelareorep, a well-tolerated intravenously delivered immunotherapeutic agent that activates the innate and adaptive immune systems and weakens tumor defense mechanisms. This improves the ability of the immune system to fight cancer, making tumors more susceptible to a broad range of oncology treatments. Our primary focus is to position pelareorep as a platform immunotherapy for the treatment of gastrointestinal ("GI") tumors and advance our GI program to registration-enabled clinical studies. We are exploring opportunities for registrational programs and investigator-sponsored trials in metastatic pancreatic cancer, second-line or later anal cancer, and metastatic colorectal cancer.

Going Concern

These condensed consolidated financial statements have been prepared assuming we will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Accordingly, these condensed consolidated financial statements do not include any adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should we be unable to continue as a going concern. Such adjustments could be material.

We have incurred operating losses since inception and expect to continue to incur losses for the foreseeable future as we advance the development of pelareorep and incur research and development, manufacturing, and general and administrative expenses. We do not expect to generate significant revenues unless and until pelareorep receives regulatory approval and becomes commercially viable.

As of June 30, 2026, we had cash and cash equivalents of $4,115. Based on our current operating plan, we expect that our existing cash resources, even when considered together with capital that may be raised under our equity distribution arrangements, are sufficient to fund near-term operating milestones but are not sufficient to fund our planned operations for at least twelve months from the date of issuance of our condensed consolidated financial statements included in this quarterly report. These conditions raise substantial doubt about our ability to continue as a going concern.

Our ability to continue as a going concern depends on our ability to obtain additional financing to fund ongoing operations. Management has plans to raise additional capital, including through the use of our at-the-market equity sales agreement and potential strategic collaborations or other financing arrangements. However, there can be no assurance that we will be able to obtain additional financing when needed, on acceptable terms, or at all. If we are unable to obtain additional funding as required, we may need to reduce or delay research and development activities, scale back operations, or pursue strategic alternatives.

Liquidity and Capital Resources

To date, we have funded our operations mainly through issuing share capital via public offerings, equity distribution arrangements, and the exercise of warrants. Until such time as we can generate revenue from product licensing or sales, if ever, we expect to finance our operations through public or private equity or debt financings or other capital sources, which may include strategic collaborations or other arrangements with third parties. If we are unable to raise capital or enter into such other arrangements as and when needed, we may have to significantly delay, scale back or discontinue our planned expenditures.

Our primary use of cash and cash equivalents is to fund operating expenses, which consist of research and development and general and administrative expenditures. Factors that will affect our future capital requirements include, but are not limited to, expansion of our clinical trial program; the timing of patient enrollment in our clinical trials; the actual costs incurred to support each clinical trial; the number of treatments each patient will receive; the timing of activity with our clinical trial research

collaborations; the number, timing and costs of manufacturing runs required to conclude the validation process and supply product to our clinical trial program; the level of collaborative activity undertaken; and the general and administrative services required to support our operations.

Note 2: Basis of Presentation

These condensed consolidated financial statements and notes hereto have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Regulation S-X of the U.S. Securities and Exchange Commission ("SEC"). Accordingly, the condensed consolidated financial statements do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. These condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements prepared in accordance with U.S. GAAP that are contained in our Annual Report on Form 10-K for the year ended December 31, 2025. These condensed consolidated financial statements reflect all normal and recurring adjustments necessary for a fair statement of our financial position and results of operations for the interim periods. The operating results for the interim periods presented are not necessarily indicative of the results expected for the full year or for any other subsequent interim period. Our condensed consolidated financial statements include our financial statements and the financial statements of our wholly owned subsidiaries, Oncolytics Biotech (Barbados) Inc., Oncolytics Biotech (U.S.) Inc. and Oncolytics Biotech (Canada) Inc. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates, Judgments and Assumptions

The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. On an ongoing basis, we evaluate the estimates and judgments used, which include but are not limited to revenue recognition, estimation of research and development costs incurred, valuation of stock-based compensation, valuation of warrant derivatives, the discount rate used in estimating the present value of right-of-use assets and lease liabilities, deferred income taxes, determination of the functional currency of each of our legal entities, and forecasting future cash flows in assessing our going concern assumption.

Note 3: Summary of Significant Accounting Policies

The condensed consolidated financial statements have been prepared using accounting policies that are consistent with the policies used in preparing the Company's audited consolidated financial statements for the year ended December 31, 2025.

Functional and Reporting Currency

Management uses its judgment to determine the functional currency that most accurately represents the economic effects of the underlying transactions, events and conditions and considered various factors including the currency of future expenditures and the currency in which funds from financing activities are generated. A company's functional currency is only changed when significant changes in economic facts and circumstances indicate clearly that the functional currency has changed.

Effective January 1, 2026, the functional currency of Oncolytics Biotech Inc. and its subsidiary, Oncolytics Biotech (Barbados) Inc. was changed to the United States (U.S.) dollar ("USD") from the Canadian dollar. The change was made to reflect that U.S. dollars has become the currency of the primary economic environment in which the Company operates, accounting for a significant part of the Company's labor, operations and financing.

The change in functional currency was accounted for prospectively in accordance with ASC 830 – Foreign Currency Matters. Accordingly, translated balances at December 31, 2025 became the new accounting basis at January 1, 2026. Results of operations prior to the change were not restated.

These consolidated financial statements are presented in USD, unless otherwise stated.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and other receivables from the Pancreatic Cancer Action Network (see Note 4) in the event of non-performance by counterparties, but we do not anticipate such non-performance. We maintain our cash and cash equivalents at accredited financial institutions. At times, such balances may exceed federally insured limits. We do not believe we are exposed to any

significant credit risk with respect to these balances, as we place our cash and cash equivalents with high-quality financial institutions and have not experienced any losses on such accounts.

Fair Value Measurement

U.S. GAAP defines fair value, establishes a consistency framework for measuring fair value and specifies disclosure for each major asset and liability category measured at fair value on either a recurring basis or nonrecurring basis. Fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. In determining the fair value measurement of our financial instruments, we prioritize the related inputs used in measuring fair value into the following hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable;
Level 3 – Unobservable inputs in which little or no market activity exists, therefore requiring an entity to develop its own assumptions about the assumptions that market participants would use in pricing.

As of June 30, 2026, the carrying amount of our financial instruments, including cash and cash equivalents, other receivables, accounts payable, and accrued liabilities, approximated their fair value due to their short-term maturity.

Our liability-classified stock options are measured at fair value on a recurring basis and are classified within Level 3 of the fair value hierarchy due to the use of significant unobservable inputs, including expected volatility and expected life.

Stock-Based Compensation

Awards of options that provide for an exercise price that is not denominated in: (a) the currency of a market in which a substantial portion of the Company's equity securities trades in, (b) the currency in which the employee's pay is denominated, or (c) the functional currency of the employer's operations, are required to be classified as liabilities. Following the change in functional currency effective January 1, 2026, certain outstanding stock options with a Canadian dollar exercise price were reclassified from equity-classified to liability-classified options. The reclassification is accounted for as a share option modification in accordance with ASC 718 – Compensation – Stock Compensation ("ASC 718"). Under ASC 718, when an award is reclassified from equity to liability, if at the reclassification date the original vesting conditions are expected to be satisfied, then the minimum amount of compensation cost to be recognized is based on the grant date fair value of the original award. Fair value changes below this minimum amount are recorded in additional paid-in capital. For each reporting period after the modification date, the stock option liability is adjusted so that it equals the portion of the requisite service provided multiplied by the modified award's fair value at the end of the reporting period. Increases in the fair value of the liability in excess of the minimum grant date compensation cost described above are recognized as stock-based compensation in operating expenses in the condensed consolidated statements of operations and comprehensive loss. For all grants of liability-classified option awards, the compensation cost is remeasured at each reporting period until the settlement date.

Future Accounting Pronouncements

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement–Reporting Comprehensive Income–Expense Disaggregation Disclosures (Subtopic220-40) Disaggregation of Income Statement Expenses*, which requires public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. In January 2025, the FASB issued ASU No. 2025-01, *Income Statement–Reporting Comprehensive Income–Expense Disaggregation Disclosures (Subtopic 220–40): Clarifying the Effective Date*. The amendments in ASU 2025-01 clarified that ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027. Early adoption is permitted. We are currently evaluating the potential impact of the adoption of ASU 2024-03 on our consolidated financial statement disclosures.

(in thousands, except share and per share amounts and where indicated)

Note 4: Balance Sheet Details

Prepaid Expenses

Prepaid expenses consisted of the following:

	June 30, 2026	December 31, 2025
Prepaid research and development expenses	$ 672	$ 106
Prepaid insurance	825	438
Prepaid professional fees	104	371
Prepaid other	139	154
Total prepaid expenses	$ 1,740	$ 1,069

Accrued Liabilities

Accrued liabilities consisted of the following:

	June 30, 2026	December 31, 2025
Accrued research and development costs	$ 853	$ 1,522
Accrued professional fees	735	764
Accrued other	94	41
Total accrued liabilities	$ 1,682	$ 2,327

PanCAN Grant Agreement

In 2023, we were selected by the Pancreatic Cancer Action Network ("PanCAN"), a not-for-profit entity, as the recipient of its Therapeutic Accelerator Award to conduct a clinical trial with pelareorep in combination with modified FOLFIRINOX chemotherapy with or without an immune checkpoint inhibitor in pancreatic cancer patients. Under the terms of the award agreement, we are entitled to receive up to $5,000 in funding for eligible research expenses, and we must comply with the conditions set out in the award agreement, including providing periodic performance progress reports.

Funding received for the three and six months ended June 30, 2026 was nil. Funding received for the three and six months ended June 30, 2025 was $1,125. During the three and six months ended June 30, 2026, we recognized $258 and $648, respectively, as a reduction of research and development expenses based on eligible costs incurred in accordance with the agreement. During the three and six months ended June 30, 2025, we recognized $774 and $1,530, respectively, as a reduction of research and development expenses based on eligible costs incurred in accordance with the agreement.

As of June 30, 2026 and December 31, 2025, eligible research and development expenditures incurred exceeded cumulative funding received to date, resulting in other receivables of $1,175 and $527, respectively.

Note 5: Leases

Our operating lease costs were $71 and $72 for the three months ended June 30, 2026 and 2025, respectively. Our operating lease costs were $144 and $145 for the six months ended June 30, 2026 and 2025, respectively. Our variable lease costs were $46 and $17 for the three months ended June 30, 2026 and 2025, respectively. Our variable lease costs were $62 and $33 for the six months ended June 30, 2026 and 2025, respectively. Variable lease costs consist primarily of a pro rata share of operating costs, insurance costs, utilities and real property taxes.

(in thousands, except share and per share amounts and where indicated)

Future minimum operating lease liabilities as of June 30, 2026 are presented in the following table. Variable lease costs are not included in these payments:

2026	$	106
2027		169
2028		177
2029		92
Total future minimum lease payments		544
Less: Interest		96
Present value of operating lease liabilities	$	448

Note 6: Capital Stock

We are authorized to issue 1,000,000,000 shares of common stock and 100,000,000 shares of preferred stock, each with a par value of $0.001 per share. Holders of our common stock are entitled to one vote per share at meetings of shareholders, to receive such dividends as declared by our board of directors ("Board"), and to receive our remaining property and assets upon dissolution, liquidation or winding up, subject to any preferential rights of holders of outstanding preferred stock. All issued and outstanding shares are fully paid and non-assessable. The Board is authorized to issue preferred stock in one or more series and to determine the rights, preferences and privileges of each series. No shares of preferred stock were issued or outstanding as of June 30, 2026.

At-the-Market Offering Agreements

On April 6, 2026, we entered into an Open Market Sale Agreement with Jefferies LLC, which allows us to sell shares of our common stock, par value $0.001 per share, with an aggregate offering price of up to $75,000. During the three months ended June 30, 2026, we sold 7,859,359 common shares for gross proceeds of $7,152 at an average price of $0.91 per share. We received net proceeds of $6,771 after issuance costs of $381 (including commissions of $215).

On October 17, 2025, we entered into an ATM offering agreement with BTIG, LLC, which allowed us to issue common shares, at prevailing market prices, with an aggregate offering value of up to $50,000 through the facilities of the Nasdaq Capital Market. During the three months ended March 31, 2026, we sold 7,446,574 common shares for gross proceeds of $7,861 at an average price of $1.06 per share. We received net proceeds of $7,614 after issuance costs of $247 (including commissions of $236). This ATM agreement was terminated on March 21, 2026.

On August 2, 2024, we entered into an ATM offering agreement with Cantor Fitzgerald & Co, which allowed us to issue common shares, at prevailing market prices, with an aggregate offering value of up to $50,000 over a 25-month period through the facilities of the Nasdaq Capital Market. During the three and six months ended June 30, 2025, we sold 3,266,024 and 8,568,974, common shares for gross proceeds of $1,823 and $6,150, at an average price of $0.56 and $0.72, per share, respectively. For the same three and six month periods, we received net proceeds of $1,746 and $5,929, after issuance costs of $77 and $221 (including commissions of $55 and $185). This ATM agreement was terminated on August 22, 2025.

Consultant Services Shares Issued

During the three and six months ended June 30, 2026, we issued 650,000 and 1,300,000 common shares to consultants valued at $622 and $1,161, or a weighted-average price of $0.96 and $0.89 per share, respectively, as partial or total consideration for services received. We measured the fair value of these services based on the fair value of our common shares on the date we entered into each underlying consulting services agreement. We recognize stock-based compensation expense for these agreements over the time period we expect to receive services. For the three and six months ended June 30, 2026, we recognized stock-based compensation expense of $657 and $1,387, respectively, related to consultant services. As of June 30, 2026 and December 31, 2025, we recorded $57 and $283 in prepaid expenses related to services not yet performed.

Compensation Warrants

In consideration of the services rendered by the underwriter as part of a public offering in 2023, we issued 536,693 compensation warrants. Each compensation warrant is exercisable into one common share at an exercise price of $2.25 up to 60 months from the date of issuance. At the issuance date, we used the Black-Scholes Model to estimate the fair value of the services rendered. The resulting fair value was included as part of the public offering transaction costs, and was allocated to

(in thousands, except share and per share amounts and where indicated)

share issue costs and operating expenses based on the relative fair values of the common share and warrant of each unit issued. As of June 30, 2026 and December 31, 2025, there were 536,693 compensation warrants outstanding.

Warrants

Following the change in functional currency on January 1, 2026, warrants issued in 2023 pursuant to an underwritten public offering no longer met liability classification and as such were reclassified as equity at that date. The warrants have an exercise price denominated in U.S. dollars and are indexed to our stock because of the change in functional currency.

Each warrant entitles the holder to purchase one common share at an exercise price of $2.81 up to 60 months from the date of issuance. The expiration of the warrants may be accelerated by us at any time prior to the expiration date if the volume weighted-average price of the issued and outstanding common shares on the Nasdaq Stock Market is greater than $6.50 for any 20 consecutive trading days, at which time we may, within 10 business days, accelerate the expiration date by issuing a press release announcing the reduced warrant term whereupon the warrants will expire on or after the 75th calendar day after the date of such press release. As of June 30, 2026 and December 31, 2025, there were 7,667,050 warrants outstanding.

Common Shares reserved for future issuance are as follows:

	June 30, 2026
Common shares issuable upon exercise of employee and non-employee stock options	22,097,374
Common shares issuable upon vesting and settlement of restricted stock units	469,992
Common shares issuable upon vesting and settlement of Inducement Share Awards	3,292,750
Common shares available for grant under the 2026 Incentive Award Plan	6,490,577
Common shares issuable upon exercise of warrants	8,203,743
Total	40,554,436

Note 7: Stock-Based Compensation

Amended and restated Stock Option and Incentive Share Award Plans

Our amended and restated Stock Option Plan and Share Award Plan (collectively, the "Equity Incentive Plans") were approved by our shareholders on May 9, 2023. The Equity Incentive Plans provide for the grant of stock options, restricted share unit awards and performance share unit awards to our employees, consultants and directors. Upon the effective date of the 2026 Plan described below, we ceased granting awards under the Equity Incentive Plans, but any awards granted under the Equity Incentive Plans will remain subject to the terms of the applicable plans.

2026 Incentive Award Plan

The 2026 Incentive Award Plan (the "2026 Plan") was approved by our shareholders at a Special Meeting of Shareholders held on January 15, 2026 and became effective on March 31, 2026. The 2026 Plan provides for the grant of options, including incentive stock options and nonqualified stock options, restricted stock, dividend equivalents, restricted stock units ("RSUs"), performance shares, other incentive awards, stock appreciation rights and cash awards, to our employees, consultants and directors.

The number of shares reserved for issuance under the 2026 Plan equals the sum of (i) 6,500,000 shares; (ii) any shares that remain available under the prior Equity Incentive Plans; (iii) any shares that are subject to awards under the prior Equity Incentive Plans which are forfeited or lapse unexercised and which are not issued under the prior Equity Incentive Plans; and (iv) an annual increase on the first day of each calendar year beginning January 1, 2027 and ending on and including January 1, 2036, equal to the lesser of (A) 6% of the aggregate number of shares outstanding on the final day of the immediately preceding calendar year and (B) such smaller number of shares as is determined by the Board or the compensation committee.

Inducement Equity Awards

We have granted inducement equity awards to certain of our key executives. These awards included stock options subject to a service condition, performance-based stock options (collectively, the "Inducement Stock Options"), and performance-based restricted share award units ("Inducement Share Awards"). The grants were made as a material inducement to employment in accordance with Nasdaq Listing Rule 5635(c)(4), and therefore did not require shareholder approval.

(in thousands, except share and per share amounts and where indicated)

Stock-Based Compensation Expense

Our stock-based compensation expense was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Stock-based compensation expense:				
Pursuant to Equity Incentive Plans and Inducement Equity Awards	$ 1,788	$ 362	$ 4,087	$ 1,207
Pursuant to consulting service agreements	657	—	1,387	—
	$ 2,445	$ 362	$ 5,474	$ 1,207
Stock-based compensation expense in operating expenses:				
Research and development	$ 1,245	$ 144	$ 3,223	$ 763
General and administrative	1,200	218	2,251	444
	$ 2,445	$ 362	$ 5,474	$ 1,207

Stock Options

Our stock option activity for the six months ended June 30, 2026 was as follows:

	Stock options subject only to a service condition			
	Number Outstanding	**Weighted-Average Exercise Price (i)**	**Aggregate Intrinsic Value**	**Weighted-Average Remaining Contractual Life (in years)**
Outstanding at December 31, 2025	17,216,957	$ 1.11	$ 1,576	3.8
Granted (ii)	4,761,000	$ 1.04		
Forfeited	(561,417)	$ 1.02		
Expired	(1,219,166)	$ 2.40		
Outstanding at June 30, 2026 (iii)	20,197,374	$ 1.02	1,956	4.8
Vested and exercisable at June 30, 2026	5,329,017	$ 1.20	$ 753	2.4

i. The weighted-average exercise prices reflect the conversion of Canadian dollar denominated stock options translated into U.S. dollars using the applicable foreign exchange rate as of the date of grant.
ii. Includes 800,000 Inducement Stock Options.
iii. Includes 4,400,000 Inducement Stock Options.

	Stock options subject to a performance condition			
	Number Outstanding	**Weighted-Average Exercise Price (i)**	**Aggregate Intrinsic Value**	**Weighted-Average Remaining Contractual Life (in years)**
Outstanding at December 31, 2025	1,900,000	$ 0.42	$ 868	4.4
Outstanding at June 30, 2026 (ii)	1,900,000	$ 0.42	$ 1,012	4.0
Vested and exercisable at June 30, 2026	—	$ —	$ —	—

i. The weighted-average exercise prices reflect the conversion of Canadian dollar denominated stock options translated into U.S. dollars using the applicable foreign exchange rate as of the date of grant.
ii. Includes 1,900,000 Inducement Stock Options.

(in thousands, except share and per share amounts and where indicated)

Our stock option activity for the six months ended June 30, 2025 was as follows:

	Stock options subject only to a service condition			
	Number Outstanding	Weighted-Average Exercise Price (i)	Aggregate Intrinsic Value	Weighted-Average Remaining Contractual Life (in years)
Outstanding at December 31, 2024	6,876,345	$ 1.61	$ 205	2.8
Granted (ii)	3,600,000	$ 0.47		
Forfeited	(211,733)	$ 1.00		
Expired	(80,263)	$ 2.71		
Outstanding at June 30, 2025	10,184,349	$ 1.21	$ 1,075	3.3
Vested and exercisable at June 30, 2025	5,116,947	$ 1.78	$ —	1.9

i. The weighted-average exercise prices reflect the conversion of Canadian dollar denominated stock options translated into U.S. dollars using the applicable foreign exchange rate as of the date of grant.
ii. Includes 3,600,000 Inducement Stock Options.

	Stock options subject to a performance condition			
	Number Outstanding	Weighted-Average Exercise Price (i)	Aggregate Intrinsic Value	Weighted-Average Remaining Contractual Life (in years)
Outstanding at December 31, 2024	—	$ —	$ —	—
Granted (ii)	1,900,000	$ 0.42		
Outstanding at June 30, 2025 (ii)	1,900,000	$ 0.42	$ 670	4.9
Vested and exercisable at June 30, 2025	—	$ —	$ —	—

i. The weighted-average exercise prices reflect the conversion of Canadian dollar denominated stock options translated into U.S. dollars using the applicable foreign exchange rate as of the date of grant.
ii. Includes 1,900,000 Inducement Stock Options.

As of June 30, 2026, unrecognized compensation expense related to unvested stock options was $6,387, including $95 of compensation cost related to unvested stock options with a performance condition. These costs are expected to be recognized over a remaining weighted-average period of 1.7 years.

Stock option grants subject only to a service condition typically vest either immediately or annually over periods ranging from one to 3 years. The performance-based Inducement Stock Options will vest in full upon us generating a minimum of $25,000 in cumulative proceeds from new financing transactions after June 11, 2025.

We use the Black-Scholes Model to estimate fair value. We use historical data to estimate the expected dividend yield and expected volatility of our stock in determining the fair value of the stock options. The risk-free interest rate is based on the U.S. Treasury rate applicable to the expected life of the award. The expected dividend yield is zero, as we do not expect to pay dividends for the foreseeable future.

(in thousands, except share and per share amounts and where indicated)

The fair value of options granted during the six months ended June 30, 2026 was determined using the following weighted-average assumptions:

Risk-free interest rate	4.2 %
Expected life (years)	6.7
Expected volatility	89.3 %
Expected dividend yield	— %
Weighted-average grant date fair value	$ 0.82

Liability-Classified Stock Options

As discussed in note 3, certain employee stock options previously classified as equity were reclassified as liabilities, effective January 1, 2026. The related stock option liability is measured at fair value on a recurring basis and is classified within Level 3 of the fair value hierarchy.

The fair value of the liability-classified options as of June 30, 2026 and January 1, 2026 was determined using the following weighted-average assumptions:

	June 30, 2026	January 1, 2026
Risk-free interest rate	4.1 %	3.6 %
Expected life (years)	3.5	3.9
Expected volatility	83.4 %	77.4 %
Expected dividend yield	— %	— %
Weighted-average fair value	$ 0.64	$ 0.57
Number of liability-classified stock options outstanding	7,336,535	7,671,135

A summary of the stock option liability for the six months ended June 30, 2026 was as follows:

	Stock option liability
Balance at December 31, 2025	$ —
Reclassification of liability from equity	1,189
Stock-based compensation expense	2,270
Fair value adjustment to liability	(66)
Balance at June 30, 2026	$ 3,393

RSUs

Our RSU activity for the six months ended June 30, 2026 was as follows:

	Number of RSUs	Weighted-Average Grant Date Fair Value (i)	Intrinsic Value
Outstanding at December 31, 2025	497,842	$ 0.95	$ 435
Vested and released	(10,317)	$ 1.09	9
Forfeited	(17,533)	$ 1.11	
Outstanding at June 30, 2026	469,992	$ 0.89	$ 446

i. The weighted-average grant date fair value prices reflect the conversion of Canadian dollar denominated RSUs translated into U.S. dollars using the applicable foreign exchange rate as of the date of grant.

(in thousands, except share and per share amounts and where indicated)

Our RSU activity for the six months ended June 30, 2025 was as follows:

	Number of RSUs	Weighted-Average Grant Date Fair Value (i)	Intrinsic Value
Outstanding at December 31, 2024	1,118,510	$ 1.00	$ 1,018
Granted	738,420	$ 0.67	
Vested and released	(1,256,646)	$ 0.83	$ 918
Outstanding at June 30, 2025	600,284	$ 1.03	$ 462

i. The weighted-average grant date fair value prices reflect the conversion of Canadian dollar denominated RSUs translated into U.S. dollars using the applicable foreign exchange rate as of the date of grant.

As of June 30, 2026, unrecognized compensation expense related to non-vested RSUs was $84. These costs are expected to be recognized over a remaining weighted-average period of 0.8 year.

Inducement Share Awards

Inducement Share Awards will vest upon our entry into a definitive agreement involving either the acquisition of our company or the exclusive license of pelareorep. During the six months ended June 30, 2026 and June 30, 2025, we granted 300,000 and 500,000 Inducement Share Awards, respectively. During the six months ended June 30, 2025, we also granted Inducement Share Awards to our CEO, which will entitle him to receive that number of common shares equal to 2% of our then-outstanding common shares (2,492,750 at June 30, 2026) if the performance condition is met. Accordingly, if the performance conditions had been met on June 30, 2026, a total of 3,292,750 common shares would be issuable pursuant to the Inducement Share Awards. Compensation expense for these awards will be recognized if and when the performance condition becomes probable or is achieved. To date, we have not recorded any compensation expense related to these awards.

Note 8: Net Loss Per Share

The following table shows the calculation of net loss per share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator:				
Net loss - basic and diluted	$ (9,442)	$ (5,277)	$ (18,685)	$ (9,988)
Denominator:				
Weighted-average common shares outstanding used to compute basic and diluted net loss per share	119,739,942	90,999,586	116,036,833	87,833,107
Net loss per share, basic and diluted	$ (0.08)	$ (0.06)	$ (0.16)	$ (0.11)

The amounts in the table below were excluded from the calculation of diluted net loss per share due to their anti-dilutive effect:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Outstanding warrants	8,203,743	8,203,743	8,203,743	8,203,743
Outstanding stock options	22,097,374	12,084,349	22,097,374	12,084,349
Outstanding RSUs and Incentive Share Awards	3,762,742	3,231,500	3,762,742	3,231,500
	34,063,859	23,519,592	34,063,859	23,519,592

(in thousands, except share and per share amounts and where indicated)

Note 9: Contract Liability

We entered into a licensing agreement (the "Licensing Agreement") with Adlai Nortye Biopharma Co., Ltd. ("Adlai"). Under the terms of the Licensing Agreement, Adlai will have exclusive development and commercialization rights to pelareorep in China, Hong Kong, Macau, Singapore, South Korea, and Taiwan. Pursuant to the Licensing Agreement, we are entitled to receive upfront license fees, development and regulatory milestone payments, royalties, and sales-based milestone payments.

Our contract liability balance at June 30, 2026 and December 31, 2025, which we expect to record in revenue over the next five years, was as follows:

	June 30, 2026	December 31, 2025
Balance, beginning of period	$ 4,910	$ 4,677
Foreign exchange impact	—	233
Balance, end of period	$ 4,910	$ 4,910

Note 10: Commitments and Contingencies

Indemnification of Officers and Directors

Our corporate bylaws require that, except to the extent expressly prohibited by law, we will indemnify our officers and directors against all costs, charges, and expenses, including an amount paid to settle an action or satisfy a judgment reasonably incurred in respect of any civil, criminal, or administrative action or proceeding as it relates to their services to us. The bylaws provide no limit to the amount of the indemnification. We have purchased directors' and officers' insurance coverage to cover claims made against the directors and officers during the applicable policy periods. The amounts and types of coverage have varied from period to period as dictated by market conditions. We believe that we have adequate insurance coverage, however, there is no guarantee that all indemnification payments will be covered under our existing insurance policies.

There is no pending litigation or proceeding involving any of our officers or directors as to which indemnification is being sought, nor are we aware of any threatened litigation that may result in claims for indemnification.

Commitments

As of June 30, 2026, we are committed to payments of approximately $347 for activities mainly related to our clinical trial and manufacturing programs, which are expected to occur over the next one year. The ultimate amount and timing of these payments are subject to changes in our research and development plan.

(in thousands, except share and per share amounts and where indicated)

Note 11: Segment Information

We manage our operations as a single reportable and operating segment for the purposes of assessing performance and making operating decisions. Our chief operating decision maker ("CODM") is made up of our Chief Executive Officer and Chief Financial Officer. The CODM assesses performance and manages and allocates resources on a total company basis. Further, the CODM reviews and utilizes functional expenses at the consolidated level to manage our operations. The measure of segment assets is reported on the consolidated balance sheets as total assets.

The following table provides information about our single segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Operating Expenses:				
Significant components of research and development (R&D) expenses:				
Clinical trial expenses	$ 1,056	$ 422	$ 1,803	$ 792
Manufacturing and related process development expenses	413	425	920	839
Personnel-related expenses	2,699	1,045	5,970	3,026
Significant components of general and administrative (G&A) expenses:				
Public company-related expenses	3,368	1,580	6,384	2,780
Personnel-related expenses	1,371	888	2,601	1,625
Intellectual property expenses	149	85	451	192
All other R&D and G&A expenses	323	206	531	418
Total operating expenses	9,379	4,651	18,660	9,672
Loss from operations	(9,379)	(4,651)	(18,660)	(9,672)
Total other income (expense), net	38	(565)	76	(255)
Income tax expense	(101)	(61)	(101)	(61)
Net loss	$ (9,442)	$ (5,277)	$ (18,685)	$ (9,988)

Note 12: Subsequent Events

From July 1, 2026 to August 10, 2026, we sold 2,322,984 common shares pursuant to the Sales Agreement, for gross proceeds of $1,890 at an average price of $0.81 per share. We received net proceeds of $1,834 after commissions of $57.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read together with our condensed consolidated financial statements and related notes included elsewhere in this quarterly report and our audited financial statements and related notes included in our annual report on Form 10-K for the year ended December 31, 2025 . The following discussion contains forward-looking statements that involve numerous risks and uncertainties. Our actual results could differ materially from the results described in or implied by these forward-looking statements. See "*Cautionary Note Regarding Forward-Looking Statements*" for additional cautionary information.

All references to the terms "we," "our," "us," "the Company," and "Oncolytics" may refer, as the context requires, to Oncolytics Biotech Inc., or collectively to Oncolytics Biotech Inc. and its subsidiaries. Unless otherwise indicated, all references to "$" and "dollars" in this management's discussion and analysis of financial condition and results of operations mean thousands of U.S. dollars.

Company Overview

We are a clinical-stage biopharmaceutical company developing pelareorep, a well-tolerated intravenously delivered immunotherapeutic agent that selectively replicates in tumors, activates the innate and adaptive immune systems, and weakens tumor defense mechanisms. This improves the ability of the immune system to fight cancer, making tumors more susceptible to a broad range of oncology treatments.

Pelareorep is a proprietary isolate of reovirus, a naturally occurring, non-pathogenic double-stranded RNA virus commonly found in environmental waters. Pelareorep has shown promising results in changing the tumor microenvironment ("TME"). This creates a more immunologically favorable TME, making the tumor more susceptible to various treatment combinations. These treatments include chemotherapies, checkpoint inhibitors, and other immuno-oncology approaches such as CAR T therapies, bispecific antibodies, and RAS or CDK4/6 inhibitors. Pelareorep induces a new army of tumor-reactive T cells, helps these cells to infiltrate the tumor through an inflammatory process, and upregulates key inflammatory cytokines resulting in the formation of tertiary lymphoid structures and the expansion of tumor-infiltrating lymphocytes. By priming the immune system with pelareorep, we believe we can increase the proportion of patients who respond to various cancer treatments, including immunotherapies, especially in cancers where existing treatment regimens have failed or provided limited benefit.

As our clinical development program advances, we anticipate pelareorep's ability to enhance innate and adaptive immune responses within the TME will play an increasingly important role. This greatly increases opportunities for expanding our clinical program, business development, and partnering opportunities to address gastrointestinal cancers in combination with various therapies. We believe this approach has the most promise for generating clinically impactful data and offers the most expeditious path to regulatory approval.

Our primary focus is to position pelareorep as a platform immunotherapy for the treatment of gastrointestinal ("GI") cancers and advance our GI programs to registration-enabled clinical studies. We are exploring opportunities for registrational studies and investigator-sponsored trials in metastatic colorectal cancer, second-line or later anal cancer, and metastatic pancreatic cancer.

Going Concern

We have incurred operating losses since inception and expect to continue to incur losses for the foreseeable future as we advance the development of pelareorep and incur research and development, manufacturing, and general and administrative expenses. We do not expect to generate significant revenues unless and until pelareorep receives regulatory approval and becomes commercially viable.

As of June 30, 2026, we had cash and cash equivalents of $4,115. Based on our current operating plan, we expect that our existing cash resources, even when considered together with available capital under our equity distribution arrangements, are sufficient to fund near-term operating milestones but are not sufficient to fund our planned operations for at least twelve months from the date of issuance of our condensed consolidated financial statements included in this quarterly report. These conditions raise substantial doubt about our ability to continue as a going concern.

Our ability to continue as a going concern depends on our ability to obtain additional financing to fund ongoing operations. Management has plans to raise additional capital, including through the use of our at-the-market equity sales agreement and potential strategic collaborations or other financing arrangements, as discussed under "*Capital Requirements*." However, there can be no assurance that additional financing will be available when needed, on acceptable terms, or at all. If we are unable to

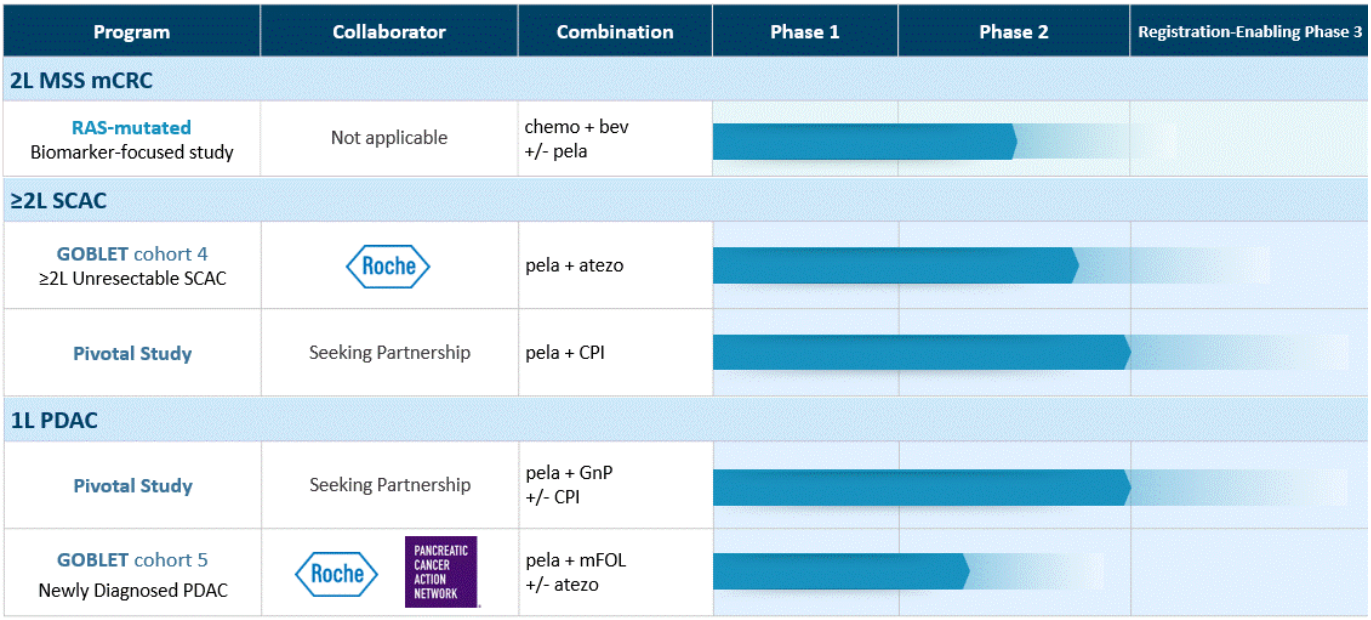
obtain additional funding as required, we may need to reduce or delay research and development activities, scale back operations, or pursue strategic alternatives.

The accompanying condensed consolidated financial statements have been prepared on a going-concern basis and do not include any adjustments that might result from the outcome of these uncertainties. Such adjustments could be material.

Program Development Updates and Outlook

The following are the development updates and outlook for our program for the three months ended June 30, 2026, through to the date of this quarterly report.

Clinical Trial Program



PDAC: pancreatic ductal adenocarcinoma; MSS: microsatellite stable; mCRC: metastatic colorectal cancer; SCAC: squamous cell carcinoma of the anal canal; pela: pelareorep; GnP: gemcitabine + nab-paclitaxel; CPI: checkpoint inhibitor; mFOL: modified FOLFIRINOX; atezo: atezolizumab; bev: bevacizumab; 1L: First-Line; 2L: Second-Line

Second-line metastatic colorectal cancer ("mCRC")

In the first quarter of 2026, we received Fast Track Designation for pelareorep in combination with bevacizumab and fluorouracil, leucovorin, irinotecan ("FOLFIRI") for the treatment of patients with Kirsten rat sarcoma ("KRAS")-mutant, microsatellite-stable ("MSS") mCRC in the second-line setting. The application was supported by clinical data demonstrating a 33% objective response rate ("ORR") for pelareorep-based therapy compared to approximately 10% ORR with standard-of-care[1] in this patient population. In addition, pelareorep combination therapy was associated with a median progression-free survival of 16.6 months, compared to 5.7 months with standard-of-care[2], a duration of response of 19.5 months, compared to historical benchmarks of approximately 4–6 months[3] in this setting, and a median overall survival of 27 months, compared to 11.2 months with standard-of-care[4].

Randomized Phase 2 second-line mCRC study – REO 033

In March 2026, we announced the launch of a randomized Phase 2 study, known as REO 033, evaluating second-line RAS-mutated (which includes KRAS) MSS mCRC patients. Patients will receive either the control arm of bevacizumab (Avastin®) and FOLFIRI or the experimental arm of pelareorep, bevacizumab, and FOLFIRI. The first study site was initiated in early April 2026.

[1] Bennouna J. Lancet Oncol (14):29-37, 2013 / Iwamoto S. Ann Oncol. Jul;26(7); 1427-33, 2015

[2] Bennouna J. Lancet Oncol (14):29-37, 2023

[3] FDA grants accelerated approval to adagrasib with cetuximab for KRAS G12C–mutated colorectal cancer. Published June 21, 2024. Accessed April 28, 2026. https://www.fda.gov/drugs/resources-information-approved-drugs/fda-grants-accelerated-approval-adagrasib-cetuximab-kras-g12c-mutated-colorectal-cancer

[4] Bennouna J. Lancet Oncol (14):29-37, 2023

During the second quarter of 2026, we continued with site initiation and expect that approximately half of the planned clinical sites will be activated during the third quarter of 2026.

Squamous cell carcinoma of the anal canal ("SCAC")

GOBLET Cohort 4

Pelareorep is being studied in combination with atezolizumab in the rare, but deadly, relapsed, unresectable SCAC indication.

In January 2026, we reported updated clinical data from patients with third-line SCAC. The data showed four of 14 evaluable third-line patients receiving pelareorep and atezolizumab achieved objective responses, resulting in an ORR of approximately 29%. These responses included two complete responses and two partial responses. The median duration of response is approximately 17 months (67 weeks), indicating both depth and durability of clinical benefit in a heavily pretreated population. In historical third-line SCAC studies, objective response rates are typically approximately 10% or less[5], with limited durability. In the second-line setting, pelareorep and atezolizumab achieved a 30% ORR, more than doubling the 13.8% ORR that was approved by the FDA for the current standard of care therapy[6]. Enrollment in Cohort 4 has been completed and we will continue to monitor patients on the study and provide a final analysis once sufficient data has been collected.

Potential second-line or later SCAC registrational study

We participated in a Type C meeting with the FDA in mid-April of 2026 and aligned on the design of a pivotal study in second-line or later SCAC in the U.S. The final study protocol is being finalized and is expected to be a randomized controlled trial of pelareorep and a checkpoint inhibitor, compared with a control arm, which could be sufficient for accelerated approval and full approval at different points in time within the same study.

In July 2026, the FDA granted Fast Track designation to pelareorep in combination with a checkpoint inhibitor for the treatment of patients with inoperable, locally recurrent or metastatic SCAC who have progressed on or were intolerant to one or more prior lines of systemic therapy.

Preclinical program

In June 2026, we announced initial data from a preclinical study evaluating pelareorep in combination with RAS inhibitor modalities in a solid tumor model, which demonstrate evidence of greater anti-tumor activity in combination than with the individual approaches alone. Based on these findings, we are planning additional studies in models of colorectal cancer and in pancreatic ductal adenocarcinoma designed to further evaluate the combinations' effects on immune activation, tumor response durability, and time-to-resistance. The ongoing work includes evaluations of pelareorep in combination with KRAS G12C inhibitors, pan-RAS inhibitors, and additional next-generation RAS pathway-targeting agents in RAS-mutated tumor models.

Program development for the remainder of 2026

In 2026, our clinical objectives will primarily revolve around our randomized second-line mCRC clinical study. We are actively evaluating multiple strategic partnership options and continue to engage with collaborators, academic partners, and other stakeholders to determine the most effective path forward for pelareorep in mPDAC and second-line or later SCAC. Preclinical objectives this year will focus on studies planned to evaluate pelareorep in combination with a range of RAS inhibitor modalities with initial results expected in the fall or winter of 2026.

[5] Marabelle et al. Pembrolizumab for previously treated advanced anal squamous cell carcinoma: results from the non-randomised, multicohort, multicentre, phase 2 KEYNOTE-158 study. Lancet Gastroenterol Hepatol. 2022 May;7(5):446-454. doi: 10.1016/S2468-1253(21)00382-4.

[6] Rao S, et al. A phase II study of retifanlimab (INCMGA00012) in patients with squamous carcinoma of the anal canal who have progressed following platinum-based chemotherapy (POD1UM-202). ESMO Open. 2022 Aug;7(4):100529. doi: 10.1016/j.esmoop.2022.100529. Epub 2022 Jul 8

Manufacturing and Process Development

While we currently have sufficient drug product supply to support our clinical development program, we continued our activities to expand our production capabilities as we focus on advancing our active drug substance and finished drug product towards registration and commercial readiness. In the second quarter of 2026, we initiated an analytical study utilizing the human tumor cell line potency assay. We also updated the formal assessment of the drug substance production process with additional batch production and development data and progressed analytical development activities to support upcoming process characterization in preparation for process performance qualification. We also incurred storage and distribution costs to maintain our product supply. Ongoing bulk manufacturing and expanded filling capabilities are both part of the planned process validation. Process validation is required to ensure that the resulting product meets the specifications and quality standards and will form part of our submission to regulators, including the FDA, for product approval.

In 2026, our manufacturing program will focus on preparatory activities for validation of our drug substance production process, additional drug product manufacture to support the clinical program, and supply distribution for our ongoing and planned studies.

Intellectual Property

At June 30, 2026, we had 139 patents, including 11 U.S. and 7 Canadian patents, and issuances in other jurisdictions. We have an extensive patent portfolio covering pelareorep and formulations that we use in our clinical trial program. We also have patents covering methods for manufacturing pelareorep and screening for susceptibility to pelareorep. These patent rights extend to at least the end of 2031. We are continuing to analyze additional patent protections and have placed an emphasis on patent extension strategy and growing our patent portfolio. In addition, we have submitted new patent applications that we expect to extend certain patent protections and grant new rights into the 2040s including method-of-using protection until 2040 and method-of-making protection until 2044.

In June 2026, we secured a new U.S. patent protecting our proprietary manufacturing process for pelareorep. Developed through our contracted collaboration with the National Research Council of Canada ("NRC"), this jointly arising intellectual property is automatically assigned to NRC and exclusively licensed to Oncolytics, subject to a nominal royalty, for the production and commercialization of pelareorep. The newly issued patent covers key aspects of the methods used to manufacture pelareorep and is expected to provide patent protection until 2044. The patent is designed to protect the Company's ability to consistently produce pelareorep at commercial scale and represents a significant addition to the Company's growing intellectual property portfolio. The Company also announced that a previously filed method-of-use patent application remains under review and, if issued, is expected to provide protection until at least 2046. In addition, Oncolytics plans to file further patent applications this year that are designed to expand and strengthen the pelareorep intellectual property estate across additional therapeutic applications, treatment settings, and combination approaches.

Financing Activity

On April 6, 2026, we entered into an Open Market Sale Agreement (the "Sales Agreement") with Jefferies LLC (the "Agent"), pursuant to which we may offer and sell from time to time through or to the agent, acting as agent or principal, shares of our common stock, par value $0.001 per share, having an aggregate offering price of up to $75,000. During the three months ended June 30, 2026, we sold 7,859,359 common shares for gross proceeds of $7,152 at an average price of $0.91 per share. We received net proceeds of $6,771 after issuance costs of $381 (including commissions of $215).

From July 1, 2026 to August 10, 2026, we sold 2,322,984 common shares pursuant to the Sales Agreement for gross proceeds of $1,890 at an average price of $0.81 per share. We received net proceeds of $1,834 after commissions of $57.

Cash Resources

As of June 30, 2026, we had cash and cash equivalents of $4,115 (see "*Liquidity and Capital Resources*").

Other Corporate Matters

In October 2025, we filed a Registration Statement on Form F-4 with the U.S. Securities and Exchange Commission (as amended by Amendment No. 1 to Form F-4, as filed on December 5, 2025) that included a management circular, prospectus and other relevant documents related to various proposals contained therein. It included plans to hold a Special Meeting of Shareholders to vote on, among other things, a series of transactions that would change the jurisdiction of Oncolytics from the Province of Alberta in Canada to the State of Nevada in the U.S. (the "Domestication"). On January 15, 2026, all resolutions described in this registration statement were approved by our shareholders. On March 17, 2026, as part of the Domestication process, we changed our jurisdiction of incorporation to the Province of British Columbia in Canada. On March 31, 2026, we completed the Domestication and changed our jurisdiction to the State of Nevada.

Components of Results of Operations

Research and Development Expenses ("R&D")

Our R&D expenses consist primarily of costs incurred to conduct research and development on pelareorep, including clinical trial expenses, manufacturing and related process development expenses, personnel-related expenses, translational science expenses, and other R&D expense. Clinical trial expenses include regulatory and consulting activities, contract research organization expenses, data management expenses, and other costs associated with our clinical trial program. Manufacturing and related process development expenses include product manufacturing and process development activities. Product manufacturing expenses include third-party direct manufacturing costs, quality control testing, filling, labeling, packaging, and storage costs. Process development expenses include costs associated with studies examining components of our manufacturing and analytical processes and costs associated with planned process validation and related conformity testing. Translational science expenses are intended to expand our intellectual property related to pelareorep and identify potential licensing opportunities arising from our technology base. Personnel-related expenses include salaries and wages, stock-based compensation, and other employee-related expenses.

General and Administrative Expenses ("G&A")

Our G&A expenses consist primarily of public company-related expenses, personnel-related expenses, intellectual property expenses, office expenses, lease expense and depreciation. Public company-related expenses include investor, media, and public relations, marketing communications, business development, financial advisory activities, legal and accounting fees, corporate insurance, transfer agent costs, and other fees relating to our U.S. and Canadian stock listings (we voluntarily delisted from the Toronto Stock Exchange in August 2025). Personnel-related expenses include salaries and wages, director fees, stock-based compensation, and other employee-related expenses. Intellectual property expenses include legal and filing fees associated with our patent portfolio. Office expenses include administrative costs associated with operating our business.

Results of Operations

Comparison of the three and six months ended June 30, 2026 and 2025:

Net loss for the three months ended June 30, 2026 was $9,442 compared to $5,277 for the three months ended June 30, 2025. Net loss for the six months ended June 30, 2026 was $18,685 compared to $9,988 for the six months ended June 30, 2025.

Research and Development Expenses

Our R&D expenses increased by $2,346 from $1,916 for the three months ended June 30, 2025, to $4,262 for the three months ended June 30, 2026. The following table summarizes our R&D expenses for the three months ended June 30, 2026 and 2025:

	Three Months Ended June 30,		
	2026	2025	Change
Clinical trial expenses	$ 1,056	$ 422	$ 634
Manufacturing and related process development expenses	413	425	(12)
Personnel-related expenses	2,699	1,045	1,654
All other R&D expenses	94	24	70
Total R&D expenses	$ 4,262	$ 1,916	$ 2,346

The increase in our R&D expenses for the three months ended June 30, 2026, was primarily due to the following:

- Increased clinical trial expenses due to start-up costs for our phase 2 second-line mCRC study launched in the first quarter of 2026.
- Increased personnel-related expenses due to increased non-cash stock-based compensation expense and increased headcount.

Our R&D expenses increased by $4,098 from $4,716 for the six months ended June 30, 2025, to $8,814 for the six months ended June 30, 2026. The following table summarizes our R&D expenses for the six months ended June 30, 2026 and 2025:

	Six Months Ended June 30,		
	2026	2025	Change
Clinical trial expenses	$ 1,803	$ 792	$ 1,011
Manufacturing and related process development expenses	920	839	81
Personnel-related expenses	5,970	3,026	2,944
All other R&D expenses	121	59	62
Total R&D expenses	$ 8,814	$ 4,716	$ 4,098

The increase in our R&D expenses for the six months ended June 30, 2026, was primarily due to the following:

- Increased clinical trial expenses due to start-up costs for our phase 2 second-line mCRC study launched in the first quarter of 2026 and higher registration program planning-related expenses.
- Increased personnel-related expenses due to increased non-cash stock-based compensation expense and increased headcount. Our non-cash stock-based compensation expense also included an adjustment to reclassify options from equity-classified to liability classified as discussed in note 3 of the condensed consolidated financial statements. This increase was partly offset by CEO transition-related activities in the first quarter of 2025.

General and Administrative Expenses

Our G&A expenses increased by $2,382 from $2,735 for the three months ended June 30, 2025, to $5,117 for the three months ended June 30, 2026. The following table summarizes our G&A expenses for the three months ended June 30, 2026 and 2025:

	Three Months Ended June 30,		
	2026	2025	Change
Public company-related expenses	$ 3,368	$ 1,580	$ 1,788
Personnel-related expenses	1,371	888	483
Intellectual property expenses	149	85	64
All other G&A expenses	229	182	47
Total G&A expenses	$ 5,117	$ 2,735	$ 2,382

The increase in our G&A expenses for the three months ended June 30, 2026 was primarily due to the following:

- Increased public company-related expenses due to higher investor relations activities and additional legal and tax professional fees associated with the Domestication. Our public company-related expenses for the three months ended June 30, 2026 included $603 of non-cash stock-based compensation expense for consulting services.
- Increased personnel-related expenses due to increased non-cash stock-based compensation expense and increased headcount.

Our G&A expenses increased by $4,890 from $4,956 for the six months ended June 30, 2025, to $9,846 for the six months ended June 30, 2026. The following table summarizes our G&A expenses for the six months ended June 30, 2026 and 2025:

	Six Months Ended June 30,		
	2026	2025	Change
Public company-related expenses	$ 6,384	$ 2,780	$ 3,604
Personnel-related expenses	2,601	1,625	976
Intellectual property expenses	451	192	259
All other G&A expenses	410	359	51
Total G&A expenses	$ 9,846	$ 4,956	$ 4,890

The increase in our G&A expenses for the six months ended June 30, 2026 was primarily due to the following:

- Increased public company-related expenses due to higher investor relations activities and legal, tax, audit and accounting professional fees related to the Domestication. Our public company-related expenses for the six months ended June 30, 2026 included $1,187 of non-cash stock-based compensation expense for consulting services.
- Increased personnel-related expenses due to increased non-cash stock-based compensation expense and increased headcount.
- Increased intellectual property expenses related to executing our patent extension strategy and new patent applications.

Liquidity and Capital Resources

As of June 30, 2026 and December 31, 2025, we had cash and cash equivalents as follows:

	June 30, 2026	December 31, 2025
Cash and cash equivalents	$ 4,115	$ 5,202

We have no debt other than accounts payable and accrued liabilities and operating lease liabilities. We have commitments relating to completing our research and development of pelareorep.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

	Six Months Ended June 30,	
	2026	2025
Operating activities	$ (15,431)	$ (8,839)
Investing activities	(6)	(1)
Financing activities	14,385	8,277
Effect of exchange rate changes on cash	(35)	205
Total increase (decrease) in cash and cash equivalents	$ (1,087)	$ (358)

Cash used in operating activities

The increase in net cash used in operating activities reflects higher operating activities and higher non-cash working capital changes in 2026. Overall, net cash used in operating activities for the six months ended June 30, 2026 and 2025 was primarily related to the funding of our research and development activities, including personnel-related expenses, manufacturing and clinical trial costs, and other costs associated with general and administrative expenses.

Net cash used in operating activities for the six months ended June 30, 2026 consisted of a net loss of $18,685 and non-cash working capital changes of $2,415, partially offset by non-cash adjustments of $5,669. Non-cash items primarily included stock-based compensation expense and the value of shares issued for consulting services. Non-cash working capital changes were primarily driven by increases in prepaid expenses and other receivables, including amounts related to the PanCAN Therapeutic Accelerator Award, and decreases in accrued liabilities and accounts payable.

Net cash used in operating activities for the six months ended June 30, 2025 consisted of a net loss of $9,988, offset by non-cash adjustments of $2,325, less non-cash working capital changes of $1,176. Non-cash working capital changes mainly reflected increased prepaid expenses and accounts payable and accrued liabilities and decreased other liabilities.

Net cash used by investing activities

Net cash used by investing activities for the six months ended June 30, 2026 and 2025 were related to the acquisition of property and equipment.

Net cash provided by financing activities

Net cash provided by financing activities during the six months ended June 30, 2026 consisted of net proceeds from sales of our common shares pursuant to ATM offering agreements. Net cash provided by financing activities during the six months ended June 30, 2025 consisted of net proceeds from sales of our common shares pursuant to our ATM and SEPA arrangements.

Capital Requirements

As a clinical-stage biopharmaceutical company, we have not been profitable since inception and do not expect to generate significant revenues unless and until pelareorep receives regulatory approval and becomes commercially viable. We expect to continue to incur operating losses as we advance pelareorep through clinical development and incur costs associated with manufacturing, intellectual property protection, and operating as a public company. Historically, we have funded our operations primarily through the issuance of equity securities, including public offerings, at-the-market equity programs, and the exercise of warrants.

Our near-term capital requirements are driven primarily by the advancement of our second-line metastatic colorectal cancer and second-line or later squamous cell carcinoma of the anal canal programs, as well as ongoing manufacturing readiness activities and general corporate costs. Conducting clinical trials necessary to obtain regulatory approval is costly and time-consuming, and the timing and cost required to complete such trials are inherently uncertain. As a result, we are unable to predict with certainty the duration or total costs of our research and development programs or when, if ever, we may generate revenues from the commercialization of pelareorep.

As discussed under "*Going Concern*," our current cash resources are sufficient to fund near-term operating milestones but are not sufficient to fund planned operations for at least twelve months from the date of issuance of our condensed consolidated financial statements included in this quarterly report. To support our near-term liquidity needs, we have access to capital through the Sales Agreement with the Agent, which provides flexibility to raise capital opportunistically and manage our cash resources. We expect to continue to utilize this equity distribution arrangement as appropriate to support ongoing operations; however, there can be no assurance that sufficient capital will be available under this or other arrangements on acceptable terms or at all.

Our future capital requirements beyond the near term will depend on several factors, including the timing, scope, and results of our clinical trials; regulatory interactions and outcomes; the costs associated with manufacturing process validation and supply; potential partnerships or collaborations; and broader market conditions. Although our Board of Directors reviews and approves our annual budget and multi-year operating plans, actual funding requirements may differ materially from our expectations due to the inherent risks and uncertainties associated with drug development.

To fund our operations beyond the near term, we expect to seek additional capital through the sale of equity securities, strategic collaborations, licensing arrangements, or other financing sources. Additional financings may result in dilution to existing shareholders, and any debt or collaborative financing, if available, may include terms that restrict our operating flexibility or require us to relinquish rights to pelareorep or future revenues. If we are unable to obtain additional financing when required, we may need to reduce or delay certain development activities, pursue strategic alternatives, or take other measures to conserve capital.

For the six months ended June 30, 2026, we raised net cash proceeds of $14,385 from the issuance of 15,305,933 common shares through our ATM offering agreement.

We are not subject to externally imposed capital requirements, and there have been no changes in how we define or manage our capital in 2026.

Contractual Obligations and Commitments

As of June 30, 2026, our contractual obligations are comprised primarily of our accounts payable, accrued liabilities and operating lease obligations. In addition, we are committed to payments of approximately $347 for activities mainly related to our manufacturing program, which are expected to occur over the next year. The ultimate amount and timing of these payments are subject to changes in our research and development plan.

As of June 30, 2026, we had not entered into any off-balance sheet arrangements.

Critical Accounting Policies and Estimates

There have been no material changes to our critical accounting policies and estimates from those disclosed in "Part II. Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Significant Judgments and Estimates," included in our annual report on Form 10-K for the fiscal year ended December 31, 2025, except for a change in the Company's functional currency from the Canadian dollar to the U.S. dollar, effective January 1, 2026.

Functional and Reporting Currency

Management uses its judgment to determine the functional currency that most accurately represents the economic effects of the underlying transactions, events and conditions and considered various factors including the currency of future expenditures and the currency in which funds from financing activities are generated. A company's functional currency is only changed when significant changes in economic facts and circumstances indicate clearly that the functional currency has changed.

Effective January 1, 2026, the functional currency of Oncolytics Biotech Inc. and its subsidiary, Oncolytics Biotech (Barbados) Inc. was changed to the United States (U.S.) dollar ("USD") from the Canadian dollar. The change was made to reflect that U.S. dollars has become the currency of the primary economic environment in which the Company operates, accounting for a significant part of the Company's labor, operations and financing.

The change in functional currency was accounted for prospectively in accordance with ASC 830 – Foreign Currency Matters. Accordingly, translated balances at December 31, 2025 became the new accounting basis at January 1, 2026. Results of operations prior to the change were not restated.

Smaller Reporting Company Status

We are a "smaller reporting company" as defined in the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We may continue to be a smaller reporting company if either (i) the market value of our shares held by non-affiliates is less than $250 million as of the last business day of the most recently completed second fiscal quarter or (ii) our annual revenue was less than $100 million during the most recently completed fiscal year and the market value of our shares held by non-affiliates was less than $700 million as of the last business day of the most recently completed second fiscal quarter.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

As a smaller reporting company, we are not required to provide disclosure pursuant to this Item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to provide reasonable assurance that information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our management evaluated, with the participation of our Chief Executive Officer and Chief Financial Officer, the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered in this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of such period to provide reasonable assurance that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the three months ended June 30, 2026 that has materially affected or is reasonably likely to materially affect our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may be involved in legal proceedings, claims and litigation arising in the ordinary course of business, including contract disputes, employment matters and intellectual property disputes. We are not currently party to any material legal proceedings or claims outside the ordinary course of business. Regardless of outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

ITEM 1A. RISK FACTORS

There have been no material changes to our risk factors from those disclosed in our annual report on Form 10-K for the fiscal year ended December 31, 2025.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Plan and Non-Rule 10b5-1 Trading Arrangement Adoptions, Terminations, and Modifications

During the quarterly period ended June 30, 2026, none of our directors or "officers" (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408, respectively, of SEC Regulation S-K.

ITEM 6. EXHIBITS

The documents listed below are incorporated by reference or filed or furnished with this quarterly report on Form 10-Q:

EXHIBIT NUMBER	DESCRIPTION
3.1	Articles of Domestication of Oncolytics Biotech Inc. (incorporated by reference to Exhibit 3.1 of the registrant's Current Report on Form 8-K (File No. 001-38512) filed with the SEC on April 1, 2026).
3.2	Articles of Incorporation of Oncolytics Biotech Inc. (incorporated by reference to Exhibit 3.2 of the registrant's Current Report on Form 8-K (File No. 001-38512) filed with the SEC on April 1, 2026).
3.3	Bylaws of Oncolytics Biotech Inc. (incorporated by reference to Exhibit 3.3 of the registrant's Current Report on Form 8-K (File No. 001-38512) filed with the SEC on April 1, 2026).
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Schema Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Schema Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Schema Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Schema Presentation Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and included in Exhibit 101).

* Filed herewith.

** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ONCOLYTICS BIOTECH INC.

Registrant

Date: August 12, 2026

By: /s/ Jared Kelly

Jared Kelly

Chief Executive Officer

(Principal Executive Officer)

Date: August 12, 2026

By: /s/ Kirk Look

Kirk Look, CA

Chief Financial Officer

(Principal Financial and Accounting Officer)

EXHIBIT 31.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jared Kelly, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Oncolytics Biotech Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 12, 2026

/s/ Jared Kelly

Jared Kelly
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kirk Look, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Oncolytics Biotech Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 12, 2026

/s/ Kirk Look

Kirk Look, CA
Chief Financial Officer
(Principal Accounting and Financial Officer)

EXHIBIT 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. §1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Jared Kelly, the Chief Executive Officer of Oncolytics Biotech Inc. (the "Company"), hereby certify, that, to the best of my knowledge:

1. The Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 12, 2026

/s/ Jared Kelly

Jared Kelly
Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that Oncolytics Biotech Inc. specifically incorporates it by reference.

EXHIBIT 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. §1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Kirk Look, the Chief Financial Officer of Oncolytics Biotech Inc. (the "Company"), hereby certify, that, to the best of my knowledge:

1. The Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2026 (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 12, 2026

/s/ Kirk Look

Kirk Look, CA
Chief Financial Officer
(Principal Accounting and Financial Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that Oncolytics Biotech Inc. specifically incorporates it by reference.