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Oncolytics Biotech Inc. Collaborators to Present Phase II Sarcoma Trial Results at ASCO Annual Meeting

CALGARY, May 16 /PRNewswire-FirstCall/ - Oncolytics Biotech Inc. (TSX: ONC, NASDAQ: ONCY) announced today that an abstract covering interim results of a Phase II study of intravenous REOLYSIN(R) in patients with sarcomas metastatic to the lung is available on the American Society of Clinical Oncology (ASCO) website at www.asco.org and on the Oncolytics website at www.oncolyticsbiotech.com. The abstract is entitled "A Phase II Study of Intravenous REOLYSIN (Wild-type reovirus) in the Treatment of Patients with Bone and Soft Tissue Sarcomas Metastatic to the Lung." The abstract discusses results of this study up to early January, 2008.

Dr. Monica Mita, Principal Investigator at the Cancer Therapy and Research Center at the University of Texas Health Science Center (CTRRC at UTHSC), San Antonio, Texas and her team are scheduled to deliver a poster presentation providing updated information on the trial at the 44th ASCO annual meeting, which runs from May 30 to June 3, 2008 in Chicago, Illinois.

About Oncolytics Biotech Inc.

Oncolytics is a Calgary-based biotechnology company focused on the development of oncolytic viruses as potential cancer therapeutics. Oncolytics' clinical program includes a variety of Phase I/II and Phase II human trials using REOLYSIN(R), its proprietary formulation of the human reovirus, alone and in combination with radiation or chemotherapy. For further information about Oncolytics, please visit www.oncolyticsbiotech.com.

This press release contains forward-looking statements, within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements, including the implication of the abstract and materials presented on the ASCO website and at this meeting with respect to REOLYSIN(R), the Company's expectations related to the results of trials investigating delivery of REOLYSIN(R), and the Company's belief as to the potential of REOLYSIN(R) as a cancer therapeutic, involve known and unknown risks and uncertainties, which could cause the Company's actual results to differ materially from those in the forward-looking statements. Such risks and uncertainties include, among others, the availability of funds and resources to pursue research and development projects, the efficacy of REOLYSIN(R) as a cancer treatment, the success and timely completion of clinical studies and trials, the Company's ability to successfully commercialize REOLYSIN(R), uncertainties related to the research and development of pharmaceuticals, uncertainties related to the regulatory process and general changes to the economic environment. Investors should consult the Company's quarterly and annual filings with the Canadian and U.S. securities commissions for additional information on risks and

uncertainties relating to the forward-looking statements. Investors are cautioned against placing undue reliance on forward-looking statements. The Company does not undertake to update these forward-looking statements.

SOURCE Oncolytics Biotech Inc.