

ASX RELEASE

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SUCCESSFUL COMPLETION OF FULLY UNDERWRITTEN RETAIL ENTITLEMENT OFFER BRINGS TOTAL FUNDS RAISED TO \$25.2M

Sydney, Thursday, 22 October 2020 – Kazia Therapeutics Limited (ASX: KZA; NASDAQ: KZIA) (**Kazia** or the **Company**), an Australian oncology-focused biotechnology company, is pleased to announce the successful completion of the retail component of its fully underwritten 1 for 3 accelerated non-renounceable entitlement offer of new fully paid ordinary shares in Kazia (**New Shares**) at \$0.80 per new share, as announced on Thursday, 1 October 2020 (**Retail Entitlement Offer**). The retail component will raise \$8.8 million and brings the total amount raised by the Company under the entitlement offer to \$25.2 million (before costs).

As previously announced, the proceeds from the Entitlement Offer will be used to fund Kazia's participation in GBM AGILE, the pivotal study for registration of paxalisib in glioblastoma, as well as to provide general working capital for the Company. Since the announcement of the Offer, the Company has already been able to sign the agreement with GCAR to commence the study.

Kazia Chairman, Iain Ross, commented "as always, we are grateful for the support of our shareholders as the company moves forward. This next chapter in the company's development should be an exciting and rewarding period, and we have been pleased to have been able to provide this opportunity for shareholders to strengthen their positions. We now move into the pivotal study for paxalisib in glioblastoma, placing us in the final stage of the drug development process and on a direct path to commercialization."

The Retail Entitlement Offer closed at 5pm (Sydney time) on Tuesday, 20 October 2020. Kazia received valid applications from eligible retail shareholders under the retail entitlement offer and the associated top-up facility (**Eligible Retail Shareholders**) for approximately \$2.8 million in New Shares, representing a participation rate of approximately 32%.

There was a shortfall of approximately 7.5 million New Shares between the number of New Shares subscribed for by Eligible Retail Shareholders and the number of New Shares offered under the Retail Entitlement Offer (**Shortfall Shares**). These Shortfall Shares have been allocated to sub-underwriters of the Retail Entitlement Offer. Bell Potter Securities Limited is acting as underwriter of the Entitlement Offer.

Board of Directors

Mr Iain Ross Chairman, Non-Executive Director

Mr Bryce Carmine Non-Executive Director

Mr Steven Coffey Non-Executive Director

Dr James Garner Chief Executive Officer, Managing Director

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New Shares to be issued under the Retail Entitlement Offer will rank equally with existing Kazia shares in all respects from the date of issue. The issue of New Shares under the Retail Entitlement Offer (including Top-Up Shares) will occur on 27 October 2020, with the despatch of holding statements to occur on 28 October 2020. New Shares issued under the Retail Entitlement Offer are expected to commence trading on ASX on 27 October 2020. Shareholders who want to trade their Top-Up Shares prior to receiving their holding statement should confirm their allocation before doing so.

[ENDS]

About Kazia Therapeutics Limited

Kazia Therapeutics Limited (ASX:Kazia, NASDAQ:KZIA) is an innovative oncology-focused biotechnology company, based in Sydney, Australia. Our pipeline includes two clinical-stage drug development candidates, and we are working to develop therapies across a range of oncology indications.

Our lead program is paxalisib (formerly GDC-0084), a small molecule inhibitor of the PI3K / AKT / mTOR pathway, which is being developed to treat glioblastoma, the most common and most aggressive form of primary brain cancer in adults. Licensed from Genentech in late 2016, paxalisib entered a phase II clinical trial in 2018. Interim data was reported most recently at AACR in June 2020, and further data is expected in 2H 2020. Five additional studies are ongoing in other forms of brain cancer. Paxalisib was granted Orphan Drug Designation for glioblastoma by the US FDA in February 2018, and Fast Track Designation for glioblastoma by the US FDA in August 2020. In addition, paxalisib was granted Rare Pediatric Disease Designation and Orphan Designation by the US FDA for DIPG in August 2020.

TRX-E-002-1 (Cantrixil), is a third-generation benzopyran molecule with activity against cancer stem cells and is being developed to treat ovarian cancer. TRX-E-002-1 has completed a phase I clinical trial in Australia and the United States with the final data expected in the second half of calendar 2020. Interim data was presented most recently at the AACR conference in June 2020. Cantrixil was granted orphan designation for ovarian cancer by the US FDA in April 2015.

This document was authorized for release to the ASX by James Garner, Chief Executive Officer, Managing Director.

All dollar amounts are in Australian dollars unless otherwise indicated.

Not an offer

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