ASX ANNOUNCEMENT
9 May 2023

QUARTERLY ACTIVITIES REPORT AND APPENDIX 4C – UPDATE

Sydney, 9 May 2023 – Kazia Therapeutics Limited (NASDAQ: KZIA; ASX: KZA), an oncology-focused drug development company, has reissued its Quarterly Activities report and Appendix 4C for the quarter ended 31 March 2023 at the request of ASX.

The original Activities Report omitted the description of, and explanation for, any payments to a related party of the entity, which description had been included at 6.1 of the Appendix 4C. This description is also now included in the Activities Report.

ENDS

About Kazia Therapeutics Limited

Kazia Therapeutics Limited (NASDAQ: KZIA; ASX: KZA) is an oncology-focused drug development company, based in Sydney, Australia.

Our lead program is paxalisib, a brain-penetrant inhibitor of the PI3K / Akt / mTOR pathway, which is being developed to treat multiple forms of brain cancer. Licensed from Genentech in late 2016, paxalisib is or has been the subject of ten clinical trials in this disease. A completed phase II study in glioblastoma reported promising signals of efficacy in 2021, and a pivotal study for registration, GBM AGILE, is ongoing, with final data expected in CY2023. Other clinical trials are ongoing in brain metastases, diffuse midline gliomas, and primary CNS lymphoma, with several of these having reported encouraging interim data.

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, and for atypical teratoid / rhabdoid tumours (AT/RT) in June 2022 and July 2022, respectively.

Kazia is also developing EVT801, a small-molecule inhibitor of VEGFR3, which was licensed from Evotec SE in April 2021. Preclinical data has shown EVT801 to be active against a broad range of tumour types and has provided compelling evidence of synergy with immuno-oncology agents. A phase I study commenced recruitment in November 2021.

For more information, please visit www.kaziatherapeutics.com or follow us on Twitter @KaziaTx.

The document was authorized for release to the ASX by Anna Sandham, Company Secretary.

ASX RELEASE
28 April 2023

QUARTERLY ACTIVITIES REPORT AND APPENDIX 4C

Sydney, 28 April 2023 – Kazia Therapeutics Limited (NASDAQ: KZIA; ASX: KZA), an oncology-focused drug development company, is pleased to provide an update on the ongoing development of its product candidates for the quarter ending 31 March 2023.

Key Points

- In February 2023, Kazia completed a successful equity financing round which raised gross proceeds of approximately AU$ 7.1 million. The transaction provides funding to 4Q CY2023, a period in which the company is anticipated to deliver a number of key milestones and read-outs.

- In March 2023, the company announced the launch of a new phase II clinical collaboration with the Australian and New Zealand Children's Haematology / Oncology Group (ANZCHOG) to investigate paxalisib in children with advanced solid tumours. The study, named OPTIMISE, will combine paxalisib with standard-of-care chemotherapy agents, and will be the first clinical trial led out of Australia. Recruitment is expected to commence by the end of CY2023.

- In April 2023, Kazia announced that five abstracts would be presented at the American Association of Cancer Research Annual Meeting, held in Orlando, FL, from 14 – 19 April 2023. Four of the abstracts present new paxalisib data in melanoma and AT/RT, and the fifth presents novel biomarker work that is being conducted to support the ongoing phase I study of EVT801.

Kazia CEO, Dr James Garner, commented, "The capital raised by Kazia during the first quarter leaves the company very well-positioned to realise some key milestones during CY2023. In particular, we anticipate initial interim data from the ongoing PNOC phase II study in DIPG during 1H CY2023, and final data from GBM AGILE in glioblastoma during 2H CY2023. Meanwhile, the rich portfolio of abstracts presented at AACR speak to the extraordinary breadth of the development program, and to the ongoing interest of clinician and researchers."

Kazia Raises AU$ 7.1 million from Existing Investors

In January 2023, the company announced an equity financing round comprising three components. The first and second tranche raised, in aggregate, AU$ 4.5 million from four existing shareholders in the company. The first tranche was an unconditional placement, using the company's discretionary placement capacity under ASX Listing Rule 7.1. The second tranche was conditional upon shareholder approval, which was granted at an Extraordinary General Meeting on 24 February 2023. The third tranche consisted in a Share Purchase Plan, which allowed eligible shareholders to purchase up to AU$ 30,000 of stock on the same terms as institutional participants. This yielded an additional $2.6 million.

The transaction was priced at a 13% premium to the 15-day volume-weighted average price (VWAP) at the time of launch, and was not associated with the issue of any accompanying options, or the payment of fees to bankers or stockbrokers.

The proceeds of the transaction are expected to provide runway to 4Q CY2023, a period in which the company is anticipated to deliver several key milestones and data read-outs.

Launch of Phase II OPTIMISE Study

In March 2023, Kazia announced that it had entered into an agreement with the Australian and New Zealand Children's Oncology Group (ANZCHOG) to commence a phase II clinical trial of paxalisib in children with advanced solid tumours. The study population will include some children with brain tumours, but will also have the potential to enrol patients with tumours outside the central nervous system.

The OPTIMISE study will harness experience and insights gleaned from the Zero Childhood Cancer Program, an Australian initiative which aims to match childhood cancer patients with targeted therapies suited to the unique characteristics of the tumour. The program, led by the Children's Cancer Institute and the Kids' Cancer Centre at Sydney Children's Hospital, has already enrolled more than 900 children with high-risk malignancies.

OPTIMISE will be the first clinical trial of paxalisib led out of Australia. It is expected to enrol 18 patients in an initial dose escalation cohort, followed by up to 100 patients in a dose expansion cohort. Recruitment is anticipated to commence by the end of CY2023.

Five Abstracts Presented at AACR Conference

In April 2023, the company announced that five abstracts pertaining to Kazia pipeline molecules had been accepted for presentation at the Annual Meeting of the American Association for Cancer Research (AACR), held in Orlando, FL, from 14 – 19 April 2023.

Four of the abstracts strengthens the preclinical data for paxalisib's potential utility in metastatic melanoma and atypical teratoid rhabdoid tumour (AT/RT, a form of childhood brain cancer). The fifth outlined a novel biomarker strategy developed by Kazia and Evotec scientists for the ongoing phase I clinical trial of EVT801 in patients with advanced solid

tumours. In addition, preliminary clinical data revealed high VEGFR3 expression and promising signs of activity in 3 metastatic ovarian cancer patients enrolled in the study.

Financial Position

Kazia closed the quarter to 31 March 2023 with a cash balance on hand of AU$ 8.0 million, versus $4.4 million in the previous quarter.

The company continues to realise significant reductions in cash burn relative to previous quarters through ongoing cost reduction efforts, which were announced at the Annual General Meeting.

Payments totalling $259,398 were made to related parties and comprise of director's fees, salaries, superannuation, and travel reimbursement.

Broad Clinical Program Ongoing

Sponsor	Phase	Indication	Registration
PAXALISIB			
Global Coalition for Adaptive Research	II / III	Glioblastoma	NCT03970447
Weill Cornell Medicine	II	Glioblastoma (*with ketogenesis*)	NCT05183204
Alliance for Clinical Trials in Oncology	II	Brain metastases	NCT03994796
Dana-Farber Cancer Institute	II	Breast cancer brain metastases (*with Herceptin*)	NCT03765983
Dana-Farber Cancer Institute	II	Primary CNS lymphoma	NCT04906096
Pacific Pediatric Neuro-Oncology Consortium	II	DIPG (childhood brain cancer)	NCT05009992
Aus. & NZ Children's Oncology Group	II	Advanced solid tumours in children	TBD
St Jude Children's Research Hospital	I	DIPG	NCT03696355
Memorial Sloan Kettering Cancer Center	I	Brain metastases (*with radiotherapy*)	NCT04192981
EVT801			
Kazia Therapeutics	I	Advanced solid tumours	NCT05114668

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Forward-Looking Statements

This announcement may contain forward-looking statements, which can generally be identified as such by the use of words such as “may,” “will,” “estimate,” “future,” “forward,” “anticipate,” or other similar words. Any statement describing Kazia's future plans, strategies, intentions, expectations, objectives, goals or prospects, and other statements that are not historical facts, are also forward-looking statements, including, but not limited to, statements regarding: the timing for results and data related to Kazia’s clinical and preclinical trials, and Kazia’s strategy and plans with respect to its programs, including paxalisib and EVT801. Such statements are based on Kazia’s expectations and projections about future events and future trends affecting its business and are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements, including risks and uncertainties: associated with clinical and preclinical trials and product development, related to regulatory approvals, and the related to the impact of global economic conditions. These and other risks and uncertainties are described more fully in Kazia’s Annual Report, filed on form 20-F with the SEC, and in subsequent filings with the SEC. Kazia undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required under applicable law. You should not place undue reliance on these forward-looking statements, which apply only as of the date of this announcement.

This announcement was authorized for release to the ASX by Dr James Garner, CEO and Managing Director, on behalf of the Board.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
Kazia Therapeutics Limited	
ABN	**Quarter ended ("current quarter")**
37 063 259 754	March 2023

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) research and development	(1,629)	(7,359)
	(b) product manufacturing and operating costs		
	(c) advertising and marketing		
	(d) leased assets		
	(e) staff costs	(525)	(1,359)
	(f) administration and corporate costs	(1,306)	(3,562)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**(3,460)**	**(12,280)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property (milestone payment for EVT801)		
	(f) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	7,108	12,959
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	**Net cash from / (used in) financing activities**	**7,108**	**12,959**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,391	7,361
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,460)	(12,280)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,108	12,959
4.5	Effect of movement in exchange rates on cash held	(14)	(15)
4.6	**Cash and cash equivalents at end of period**	**8,025**	**8,025**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	8,025	4,391
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**8,025**	**4,391**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1 – director's fees, salaries, superannuation and travel reimbursement.	259
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,460)
8.2	Cash and cash equivalents at quarter end (item 4.6)	8,025
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	8,025

8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	2.3

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023.....

Authorised by: .....Board of Directors .....

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.