

## ASX Announcement

### Race Placement closes oversubscribed and Bonus Option Issue launched for shareholders

- Placement closes oversubscribed, raising \$5.4m from institutional and sophisticated investors
- Bonus Option offer launched, where eligible shareholders of Race will receive 1 bonus option for every 20 shares held on the record date
- Proceeds from the placement will be used to support development of Bisantrene and its enhanced FTO program under Race's Three Pillar strategy

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**5 May 2021** – Race Oncology Limited (ASX: RAC) is pleased to announce that it has received binding commitments to raise \$5.4m (before associated costs) in an oversubscribed equity placement to new and existing institutional and sophisticated investors (**Placement**), and the commencement of a bonus issue of options to existing eligible shareholders of Race (**Bonus Option Issue**).

Race's CEO and Managing Director, Phil Lynch commented, *"This new funding supports efforts to deliver outsized returns to shareholders via our Three Pillar strategy, where we are investigating Bisantrene as both a potential precision oncology agent, and as a heart-friendlier chemotherapeutic. We appreciate the amount of interest shown in both Race and Bisantrene through this process and thank all those who participated in the Placement."*

Dr Daniel Tillett, Race's CSO and Executive Director said, *"We thank our new and existing shareholders for their continuing support. We believe that this raise will accelerate our plans and rewards our loyal shareholders. Race remains efficient with our capital usage and will always be focused on achieving the best outcome for our shareholders and the patients who may be helped by Bisantrene."*

#### About the Placement

Race will raise \$5.4m (before associated costs) under the Placement by the issue of approximately 1.8m new fully paid ordinary shares (**New Shares**) at an issue price of \$3.00 per share. The issue price represents a 2.3% discount to the last traded price and an 7.8% discount to the 10-day volume weighted average price of \$3.25.

Participants in the Placement will receive 1 free attaching option (exercisable at \$4.50 and expiring 16 May 2022) (**Placement Option**) for every 20 New Shares subscribed for and issued under the Placement. The Placement, including the Placement Options, is not subject to shareholder approval.

The cornerstone investor to the Placement was existing Race shareholder, Merchant Opportunities Fund. Merchant Opportunities Fund is a boutique fund with a number of long-term, strategic investments in the Australian biotechnology industry. Race accepted bids above \$5m to cover all costs in managing the Placement leaving approximately \$5m for planned activities.

Merchant Capital Partners Pty Ltd and MST Financial Services Pty Ltd acted as Joint Lead Managers and bookrunners to the Placement. IR Department provided investor relations support.

The New Shares and Placement Options are expected to be allotted and issued by 14 May 2021 and New Shares will rank equally with the existing ordinary shares on issue. The New Shares and Placement Options will be issued pursuant to the Company's existing placement capacity under ASX listing rule 7.1.

### **Use of funds**

The Placement provides Race with additional capital to be primarily deployed toward its Three Pillar strategy and supporting plans:

- *Pillar 1:* Phase 1 dose escalation trial to determine optimal FTO-targeted Phase II dosage
- *Pillar 2:* Preclinical study to determine the molecular mechanism of action of Bisantrene's heart safety
- *Pillar 3:* Initiation of studies in Europe and the United States to support extramedullary Acute Myeloid Leukaemia clinical trials
- *Corporate:* scaled manufacturing of Bisantrene to support Phase II/III trials

### **About the Bonus Option Issue**

Race is also pleased to announce a pro-rata non-renounceable Bonus Option Issue (exercisable at \$4.50 and expiring 16 May 2022) (**Bonus Options**) to existing eligible shareholders on the basis of 1 Bonus Option for every 20 shares held on the record date.

The primary purpose of the Bonus Option Issue is to reward loyal shareholders in Race, while efficiently growing the Company.

The Bonus Option Issue is being extended to eligible shareholders who have a registered address in Australia or New Zealand at 7:00 pm AEST on 13 May 2021.

The Bonus Options and the Placement Options will be in the same class and will not be listed.

## Prospectus

Further details of the Bonus Option Issue will be provided in a prospectus to be lodged shortly (**Prospectus**).

The offer of the Placement Options to participants in the Placement will also be facilitated under the Prospectus, together with a cleansing offer.

## Indicative Transaction Timetable

The proposed timetable for the Placement and Bonus Option Issue is set out below:

Action	Date
Announcement of the Placement and Bonus Option Issue, lodgement of Prospectus with the ASIC and ASX and release of Appendix 3B to ASX	5 May 2021
Opening Date of the Placement Options offer and the cleansing offer	5 May 2021
Ex date of the Bonus Options Issue	12 May 2021
Record Date of the Bonus Options Issue	7:00 pm AEST on 13 May 2021
Closing Date of the Placement Options offer	7:00 pm AEST on 13 May 2021
Issue of New Shares and Placement Options under the Placement	14 May 2021
Closing Date of the cleansing offer	7:00 pm AEST on 14 May 2021
Issue of Bonus Options under the Bonus Option Issue	19 May 2021

**Note:** the above timetable is indicative only and subject to change. The Company reserves the right to vary these dates subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws.

**In order to reduce the cost of mailing Options information and to enable efficient communication, Race encourages those shareholders not currently registered for electronic communications to contact our share registrar, Automic using the instructions on the following page.**

**Provide email and choose email communication as your preference by updating your details online with Automic:**

**I already have an online account with Automic**

1. Visit <https://investor.automic.com.au>
2. Under "Existing users sign in" enter your established username and password
3. Once you have successfully logged in, click on:
  - setting -> portfolio profile -> communication -> change method -> electronic only

**I do not have an online account with Automic and need to register**

1. Visit <https://investor.automic.com.au/#/signup>
2. Select "Race Oncology Limited" from the dropdown list in the Issuer Name Field
3. Enter your Holder Reference Number (SRN/HIN) as located on a Holding Statement
4. Enter your postcode OR country of residence (only if outside Australia)
5. Tick the box "I'm not a robot" and then select "Next"
6. Complete the prompts to set up your username and password details
7. Once you have successfully logged in, click on:
  - setting -> portfolio profile -> communication -> change method -> electronic only

Shareholders with questions on the Bonus Options Issue can contact Automic Investor Services via phone or email:

In Australia, toll-free phone: 1300 288 664

Outside of Australia phone: +61 2 9698 5414

Email: [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au) .

-ENDS-

**About Race Oncology (ASX: RAC)**

Race Oncology is an ASX listed precision oncology company with a Phase II/III cancer drug called Bisantrene.

Bisantrene is a potent inhibitor of the Fatso/Fat mass and obesity associated (FTO) protein. Overexpression of FTO has been shown to be the genetic driver of a diverse range of cancers. Race is exploring the use of Bisantrene as a new therapy for melanoma and clear cell renal cell carcinoma, which are both frequent FTO over-expressing cancers. The Company also has compelling clinical data for the use of Bisantrene as a chemotherapeutic agent with reduced cardiotoxicity in Acute Myeloid Leukaemia (AML), breast and ovarian cancers and is investigating its use in these areas.

Race is pursuing outsized commercial returns for shareholders via its 'Three Pillar' strategy for the clinical development of Bisantrene.

See more at [www.raceoncology.com](http://www.raceoncology.com).

**Release authorised by:**

Phil Lynch, CEO/MD on behalf  
of the Race Board of Directors  
[phillip.lynch@raceoncology.com](mailto:phillip.lynch@raceoncology.com)

**Media contact:**

Jane Lowe  
+61 411 117 774  
[jane.lowe@irdepartment.com.au](mailto:jane.lowe@irdepartment.com.au)