



ASX RELEASE

RACE JOINT VENTURE WITH TARGIMMUNE

- TargImmune technology from Hebrew University of Jerusalem
- Combination of Bisantrene with targeted cancer therapy
- Expands Bisantrene markets beyond AML: breast, prostate, lung, head & neck cancers through exclusive targeted therapy combinations

10 July 2017 – Race Oncology Limited (ASX: RAC) announced today that it has executed a Letter of Intent with TargImmune Therapeutics AG (Basel, Switzerland) to enter into a joint venture between the two companies. The joint venture, to be called Race Immunotherapeutics, will focus on developing new and improved cancer therapies based on combining Bisantrene with TargImmune's targeted cancer therapy technology.

The Race Immunotherapeutics ("RITX") joint venture will be a 50:50 partnership between Race and TargImmune, and all new intellectual property created by RITX will be equally co-owned by the parties through their ownership of the joint venture. RITX will be independently funded and operations of the joint venture will commence once funding is in place and formal agreements executed. Final terms of the joint venture agreement are subject to approval of both companies' boards. All core development work will be conducted by TargImmune scientists in Basel, under the guidance of a steering committee that includes Race scientific staff. Race will provide scientific support and Bisantrene drug product, but no direct funding to the Joint Venture.

The TargImmune technology platform, which was in-licensed from the Hebrew University of Jerusalem, encompasses a proprietary non-viral vector to target receptors that are overexpressed on cancer cells, such as those found in breast cancer and several other important cancers. Once at the target cell, the vector delivers an immune-modulating agent (poly-IC or pIC) into the cell, which then triggers apoptosis (programmed cell death) and an immune response against the cancer. The overall targeting technology is known as CTPIC ('Cancer Targeted delivery of pIC').

TargImmune believes that therapeutic synergies can be achieved by combining CTPIC with a broad-spectrum chemotherapy. Because of its greatly reduced cardiotoxicity and mode of action, Bisantrene represents the ideal chemotherapy to combine with the TargImmune CTPIC platform. In turn, the anti-cancer effects of Bisantrene could be greatly enhanced by combination with CTPIC.

The initial focus of the Joint Venture will be to develop combinations of Bisantrene with CTPIC aimed at EGFR (Epidermal Growth Factor Receptor), an important target in breast and other cancers. This opens up therapeutic opportunities in breast cancer, as well as non-small-cell lung (NSCL) cancer and head & neck cancers. Beyond EGFR, the Joint Venture will explore combinations of Bisantrene with CTPIC targeted at other cancer targets, including PSMA (a prostate cancer marker).

"We believe this joint venture is significantly value accretive for Race," said Race CEO, Peter Molloy. "Bisantrene has demonstrated therapeutic benefit in AML (acute myeloid leukaemia), which is a relatively rare disease. The joint venture opens up potential therapeutic opportunities for Bisantrene in all the major cancers, greatly expanding the pool of patients who could benefit from this valuable chemotherapeutic agent."

TargImmune is led by Dr Esteban Pombo-Villar, who has recently been appointed as CEO and whose background includes more than 20 years at Novartis, notably as Head of Alliance Management at the Novartis Institute for Biomedical Research (NIBR). "The joint venture will explore synergies between



the mechanism of Bisantrene and the CTPIC targeted platform. Bisantrene's good safety profile makes it an ideal candidate for combination use with our targeted platform," said Dr Pombo-Villar.

"Developmental science is about leveraging knowledge; the joint venture between Race Oncology and TargImmune Therapeutics combines decades of research and development experience in both pharma and biotech that will enable new drugs to be created, adding to the arsenal in the war on cancer," added Dr Peter Kash, Chairman of TargImmune.

About TargImmune Therapeutics AG

TargImmune Therapeutics AG is a private Swiss-based biotechnology firm focused on drug development using novel targeted immunotherapies. The company's principal technology is the CTPIC technology platform that utilizes a proprietary non-viral vector to target and destroy cancer cells that over-express certain receptors.

About Race Oncology Limited

Race Oncology is a specialty pharmaceutical company, whose business model is to pursue later stage assets, principally in the cancer field. The Company's first asset is a chemotherapy drug, Bisantrene, which was the subject of more than 40 phase II clinical studies during the 1980s and 1990s. Race Oncology owns recent patent filings on Bisantrene and has secured Orphan Drug Designation in the US. The Company's goal is to complete final development of Bisantrene and bring this valuable drug to market.

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