12 March 2018

ASX Announcement / Media Release

Race completes over-subscribed $3.159 million placement

HIGHLIGHTS

- $3.159 million raised to fund Bisantrene manufacturing and Named Patient Program (NPP)
- Fundraising significantly over-subscribed

12 March 2018 – Race Oncology Limited (ASX: RAC) announced today the successful completion of a placement of 9,872,062 new ordinary shares at an issue price of $0.32 per share to professional and sophisticated investors to raise $3.159 million (Placement) before costs.

The Placement was heavily oversubscribed, due to significant demand from investors. The Placement price of $0.32 represented a 13.5% discount to the last closing price on 7 March 2018.

The Placement shares will be issued within the Company's existing 15% capacity and are scheduled to settle on 19 March 2018.

In addition to operational funding, the proceeds will be used to fund manufacturing of Bisantrene for the US registration clinical trial and the expansion of the Bisantrene Named Patient Program (NPP).

The Bisantrene NPP is an early access program designed to make Bisantrene available for patients with AML (Acute Myeloid Leukaemia), prior to the drug's full regulatory approval.

In five historical Phase II trials Bisantrene produce new remissions in up to 50 per cent of AML patients when all other treatments had failed.

"It's important that we make Bisantrene available on a named patient basis, so that doctors and patients have access to this potentially life-saving drug," said Race CEO, Peter Molloy.

The Company has been actively pursuing NPP opportunities in France. The cash from the current raising will be used, in part, to expand the drug's NPP availability to a number of other countries where revenue-based early access programs are feasible.

In parallel to the NPP, the Company intends to file an IND (Investigational New Drug application) in the US to conduct a pivotal study on Bisantrene for the treatment of AML. This would be a significant step towards FDA approval of Bisantrene.

"The new funds will also go towards manufacturing new clinical stock for the pivotal study, including the registration batches needed for ultimate FDA approval," added Peter Molloy.

The Company will be issuing, subject to shareholder approval, 5,000,000 unlisted options exercisable at $0.45 on or before 24 months from the date of issue of the Placement shares to parties who have assisted with the Placement.

About Bisantrene

Bisantrene is a small-molecule chemotherapy drug related to the anthracyclines, the most frequently prescribed cancer drugs and first line of treatment for many cancers. It has been shown to have greatly reduced cardiac toxicity and significantly diminished potential for resistance. Bisantrene was tested in more than 40 clinical studies before it was lost in a series of pharmaceutical mergers in the 1990s. The initial clinical opportunity for Bisantrene is for relapsed/refractory AML patients. The FDA has acknowledged that Race's Bisantrene program meets the criteria as a 505(b)(2) program. Race has patents pending on the drug and has been granted Orphan Drug Designation in the USA for AML, which confers seven years of market exclusivity in the US from the date of FDA approval.

About Race Oncology (RAC.ASX)

Race Oncology is a specialty pharmaceutical company that listed on the Australian Securities Exchange (ASX) in July 2016. Race's business model is to pursue later-stage drug assets in the cancer field that have been overlooked by big pharma. The company's first asset is Bisantrene, a chemotherapy drug, that was the subject of more than 40 phase II clinical studies during the 1980s and 1990s, then lost in a series of pharmaceutical mergers.

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