



ASX Announcement

Race secures A\$1.8m via strategic placement to advance '5-Path' strategy

- Strategic placement at A\$0.30 per share to raise A\$1.8m
- Placement cornerstoned by the institutional investor Merchant Opportunities Fund
- Funds to be used to accelerate '5-path' clinical strategy for Bisantrene

6 March 2020 – Race Oncology Limited (“Race” or “the Company”) (ASX: RAC) is pleased to advise that it has received firm commitments for A\$1.8 million (before costs) in new equity funding via a strategic placement of six million ordinary shares, at an issue price \$0.30 per share.

The placement has been cornerstoned by the biotechnology focused Merchant Opportunities Fund (“Merchant”).

The Merchant Opportunities Fund is a boutique fund with a number of long term strategic investments in the Australian biotechnology industry, including a cornerstone early stage investment in PolyNovo Limited (ASX: PNV). Merchant acquired a strategic 15% stake in PNV in 2012 and has continued to support PNV through its rapid growth to a multi billion dollar company. Merchant has a significant long term investment in the medical diagnostics company Rhythm Biosciences (ASX: RHY) supporting the development of their simple blood colon cancer screening test.

The issue price represents a 9% discount to the last closing price and a 9.5% discount to the 20-trading day volume weighted average price.

The placement provides Race with sufficient resources to advance the Company’s ‘5-path’ clinical development strategy for Bisantrene through 2020. Several important initiatives associated with its clinical plan are currently underway and the Company looks forward to updating shareholders in the near-term.

Shares under the placement are expected to be allotted and issued by Friday, 13 March 2020, and will rank equally with the existing ordinary shares on issue. The new shares will be issued pursuant to the Company’s existing placement capacity under ASX listing rule 7.1. Nascent Capital Partners will be issued 1,500,000 options, exercisable at \$0.45 each and expiring 24 months from the date of issue under the terms of Race’s existing capital raising mandate.

Management commentary:

Race CEO Peter Molloy said: “To have attracted such strong support from a successful biotech institutional investor with a proven track record of picking promising early stage life sciences companies is a significant validation of Race’s plans and future potential. We thank Merchant for their support and are now funded to progress our ‘5-path’ clinical strategy for Bisantrene. We look forward to reporting progress on our clinical trials and related activities in the months ahead.”

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About Race Oncology (RAC: ASX)

Race Oncology (RAC) is a drug development biotech company with a Phase II cancer drug called Bisantrene. RAC has compelling clinical data for Bisantrene in acute myeloid leukaemia (AML) as well as breast and ovarian cancer. RAC is pursuing an exciting '5-Path' clinical development strategy that involves parallel US and Australian clinical trials in AML and other cancers.

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