



16 June 2020

ASX Announcement

## Extension of time to repay loan through share buy-back

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Race Oncology Limited (ASX:RAC) (**Race** or the **Company**) provides the following update to its announcements of 20 and 28 May 2020 in relation to the limited recourse loan which the Company had previously granted to former Managing Director and CEO, Dr Peter Molloy.

### Background

Dr Molloy was issued 4,000,000 fully paid ordinary shares in the Company (**Loan Shares**) in connection with the Company's Initial Public Offering and listing on the ASX. The Loan Shares were issued at a deemed issue price of \$0.20 each, funded through a limited recourse loan of \$800,000 from the Company (**Loan**) under a share and loan offer letter dated 8 May 2016 (**Offer Letter**).

Following Dr Molloy's resignation as Managing Director and CEO of the Company, which took effect on 20 May 2020, the Loan became repayable pursuant to the terms of the Offer Letter and the Voluntary Restriction and Share Buy-Back Deed dated 13 July 2016 between the Company and Dr Molloy (**Restriction Deed**).

### Repayment of the Loan through partial buy-back of Loan Shares

As permitted under the terms of the Offer Letter and the Restriction Deed, the Company has agreed with Dr Molloy that, subject to shareholder approval, the Loan will be repaid through a selective buy-back and cancellation of \$800,000 worth of the Loan Shares under Part 2J.1, Division 2 of the Corporations Act (**Buy-Back**).

Subject to shareholder approval, the Company will buy-back 2,222,222 Loan Shares (**Buy-Back Shares**) at a price of \$0.36 per Buy-Back Share (being the volume weighted average price for shares in the Company for the five trading day period up to and including 18 May 2020, being the day on which Dr Molloy gave notice to the Company of his resignation).

On completion of the Buy-Back, the Loan will be deemed to have been fully and finally repaid, and the Company will lift the holding lock on the remaining 1,777,778 Loan Shares held by Dr Molloy.



The Company will dispatch a notice of general meeting to shareholders in relation to the Buy-Back in the coming weeks, and is aiming to hold the general meeting and implement the Buy-Back in late July/early August 2020.

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

Race Oncology (RAC) is a drug development biotech with a Phase II/III cancer drug called Bisantrene. RAC has compelling clinical data for Bisantrene in acute myeloid leukemia (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, breast and ovarian with clinical trials to begin in 2020.

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