

ASX Announcement

March 2024 Quarterly Activity Report & Appendix 4C

- RC220 manufacturing completed on-time to current Good Manufacturing Practice (cGMP) standards, enabling use in human clinical trials
- Welcomed Associate Professor Erin Howden of the Baker Institute to Race's Scientific Advisory Board and Mr Brendan Brown of Prime Financial as Chief Financial Officer
- Early Bonus Option conversions and R&D Tax refund increase cash balance to \$16.16 million.

18 April 2024 – Race Oncology Limited ("Race") is pleased to release its Q3 FY2024 quarterly report for the period ended 31 March 2024. Race's cash and cash equivalents totalled \$16.16 million as of 31 March 2024, up \$2.44 million on the Q2 FY2024 cash and equivalent position.

Encouragingly, corporate expenses continued to fall in the quarter as several high-cost initiatives concluded and administration expenses were reduced, allowing additional investments in value-building clinical and preclinical activities.

The successful on-time completion of cGMP manufacturing of the RC220 bisantrene formulation was a highlight of the quarter with a Certificate of Analysis (CoA) issued confirming the new formulation meets the specifications required for a human intravenous (IV) drug product.

Race also welcomed Associate Professor Erin Howden of the Baker Institute to Race's Scientific Advisory Board (SAB) and Mr Brendan Brown of Prime Financial as Chief Financial Officer. These appointments continue to strengthen Race as we advance bisantrene back into the clinic as a unique cardioprotective anticancer treatment.

Management commentary

Chief Executive Officer, Dr Daniel Tillett commented: *"The successful on-time manufacture of our cGMP RC220 bisantrene formulation was the most significant event in the quarter. The team at Race worked exceptionally diligently to achieve this outstanding result which set us on a clear path back to the clinic in H2 2024. We are thankful for the continued support of our shareholders via the early exercise of the bonus and piggyback options – without our shareholders none of what we are doing at Race would be possible."*

Key events of the quarter

- On 27 February, Race announced that it had received \$4.0 million via the Research & Development (R&D) Tax Incentive from the Australian Taxation Office (ATO) for the financial year ended 30 June 2023 (FY2023).
- On 6 March, scientists from Race, in collaboration with researchers from the University of Newcastle (Newcastle, Australia), presented results from preclinical studies exploring the use of bisantrene, both as a single drug and in combination with decitabine, as a new treatment for acute myeloid leukemia (AML) at the *New Directions in Leukaemia Research* conference in Adelaide (March 4-6, 2024). The poster presentation titled *"Preclinical evaluation of bisantrene*

*alone and in combination with decitabine for Acute Myeloid Leukemia” demonstrates that bisantrene is highly effective at killing patient-derived AML cancer cells *in vitro* and *in vivo* as a single agent and showed significantly higher anticancer activity (p -value < 0.001) when used in combination with the standard of care drug, decitabine. Key cellular pathways targeted by the synergistic combination of bisantrene and decitabine were also identified.*

- On 14 March, Race announced the appointment of Associate Professor Erin Howden of the Baker Heart and Diabetes Institute (Melbourne, Australia) to Race’s Scientific Advisory Board (SAB). Dr. Howden brings a wealth of experience to Race, having published more than 100 scientific publications on numerous topics, including the serious adverse effects that chemotherapy has on the cardiovascular fitness of cancer patients. Recent work by Dr. Howden and her collaborators identified that VO₂ peak is a highly sensitive and clinically relevant measure of the significant reductions in cardiorespiratory fitness experienced by many cancer patients following exposure to anthracycline-based treatments. This work found anthracycline-containing treatments reduced average VO₂ peak levels in cancer patients by 11% (equivalent to 11 years of normal ageing), with the rates of functional disability nearly doubling. In the same cancer patient population, currently used metrics of chemotherapy-induced cardiac damage (e.g. reductions in left ventricular ejection fraction or LVEF) showed no significant change (59% vs. 58%).
- On 18 March, Race announced the appointment of Mr Brendan Brown as Chief Financial Officer (CFO) of Race, effective from Monday 1 April 2024. Brendan is a Partner and Director of Prime Accounting & Business Advisory Pty Ltd, part of the Prime Financial Group (ASX:PFG). He brings significant practical experience having worked with numerous life science clients through the past 20 years. Brendan is a Chartered Accountant (CA ANZ) and Registered Tax Agent with a Bachelor of Commerce (Accounting) from La Trobe University.
- On 26 March, Race announced that a Certificate of Analysis (CoA) was issued for the first current Good Manufacturing Practice (cGMP) batch of 2600 vials of Race’s proprietary bisantrene formulation, RC220, confirming that the drug product meets the quality specifications required for human use. Ardena was contracted by Race to manufacture the cGMP RC220 drug product to ensure that it meets the exacting standards required by major global regulatory authorities for human clinical use, including the European Medicines Agency (EMA), the US Food & Drug Administration (FDA) and the Australian Therapeutic Goods Administration (TGA). The issued CoA confirmed that RC220 meets the manufacturing quality specifications required for intravenous (IV) drug products to be used in humans. Adherence to cGMP quality standards meets the requirements for evaluating new IV drug products in human Phase 1 & 2 clinical studies in Asia-Pacific, Europe and the USA.

Other news from the quarter

- As of 31 March 2024, early exercise of 1.33 million bonus and piggyback options in the quarter has contributed an additional \$994k in new funding to support our program advancement. Race wishes to thank all shareholders who exercised their bonus options for their continued support.

For those shareholders wishing to exercise their options, but unsure of the process, Race has launched a Question & Answer (Q&A) page to provide answers to the most frequently asked questions. The Options Q&A can be accessed on the Race website [via this link](#).

Summary of cash flow and quarterly activity

As of 31 March 2024, Race held cash and equivalents of \$16.16 million, up from \$13.72 million on 31 December 2023. The net increase in cash reserves of \$2.44 million is principally due to inflows from the FY2023 R&D Tax rebate and early option conversions, combined with a continued reduction in administrative costs and the completion of RC220 manufacturing to Good Manufacturing Practice (GMP) standards for use in human clinical trials. Expenditure is expected to continue to slow in future quarters as the GLP non-clinical toxicology and safety studies of RC220 are concluded in Q4 FY2024.

Listing rule 4.7C.3

Payments during the quarter to Related Parties amounted to \$110k, comprising payments of salaries and superannuation to an Executive Director of \$52.5k and board fees to Non-Executive Directors of \$58.3k.

Shareholders by holding range

Race is pleased to report that shareholders increased to 9160 as of 31 March 2024, demonstrating renewed investor interest in Race.

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	4,031	1,646,993	1.00%
above 1,000 up to and including 5,000	2,582	6,393,564	3.87%
above 5,000 up to and including 10,000	817	6,116,822	3.70%
above 10,000 up to and including 100,000	1,473	45,847,733	27.76%
above 100,000	257	105,166,918	63.67%
Total	9,160	165,172,030	100.00%

Top 20 Holders as of 31 March 2024

Race is pleased to share the current Top 20 shareholders as of 31 March 2024. Shareholders can expect regular updates in future quarterly reports.

Position	Holder Name	Holding	% IC
1	DR DANIEL TILLET	16,322,295	9.88%
2	BIOSYNERGY PARTNERS PTY LTD	6,102,194	3.69%
3	MR PHILLIP RICHARD PERRY	6,032,694	3.65%
4	MR MARK PHILLIP JUAN	5,775,832	3.50%
5	THE TRUST COMPANY (AUSTRALIA) LIMITED <MOF A/C>	4,645,468	2.81%
6	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	2,280,904	1.38%
7	MARINELLA MESSINA	1,757,377	1.06%
8	MR PHILLIP RICHARD PERRY & MRS TETYANA PERRY <DONESKA SUPER FUND A/C>	1,590,000	0.96%
9	MR KIMBERLEY ROSS GARTRELL & MRS JENNIFER MARGARET GARTRELL <K&J GARTRELL SUPER FUND A/C>	1,500,000	0.91%
9	MR SANDOR HELBY	1,500,000	0.91%
10	KUDOSS INVESTMENTS PTY LTD <AITKEN GLOBAL FAMILY A/C>	1,350,000	0.82%
11	MR ANTHONY JAMES ROBINSON <THE PEEKO FAMILY NO 86 A/C>	1,303,250	0.79%
12	MR ALAN GILES SAURAN	1,094,368	0.66%
13	PIERPOINT INVESTMENTS PTY LTD <PIERPOINT SUPER FUND A/C>	996,000	0.60%
14	MR BRIAN JAMES WALKER	940,000	0.57%
15	SURPION PTY LTD <M W SUHR & CO A/C>	890,000	0.54%
16	MR VAN QUY DO	825,788	0.50%
17	CITICORP NOMINEES PTY LIMITED	804,384	0.49%
18	MR BEAU THOMAS ROBINSON <BEAU ROBINSON INVSTMNT A/C>	709,204	0.43%
19	MR GRAEME STEWART POCKNALL & MRS VIVienne GLYNIS POCKNALL	674,511	0.41%
20	T&G CORPORATION PTY LTD	612,500	0.37%
	T20 Total	57,706,769	34.94%
	Total issued capital	165,172,030	100.00%

-ENDS-

About Race Oncology (ASX: RAC)

Race Oncology (ASX:RAC) is an ASX-listed clinical-stage biopharmaceutical company with a dedicated mission to be at the heart of cancer care.

Race's lead asset, bisantrene, is a small molecule chemotherapeutic. Bisantrene has a rich and unique clinical history with demonstrated therapeutic benefits in both adult and paediatric patients, a well characterised safety profile, and compelling clinical data demonstrating an anticancer effect and less cardiotoxicity over certain anthracyclines, such as doxorubicin.

Race is advancing a reformulated bisantrene (RC220) to address the high unmet needs of patients across multiple oncology indications, with a clinical focus on anthracycline combinations, where we hope to deliver cardioprotection and enhanced anticancer activity in solid tumours. Race is also exploring RC220 as a low intensity treatment for acute myeloid leukaemia.

Race is investigating the effect of bisantrene on the m⁶A RNA pathway, following independent research published by the City of Hope identifying bisantrene as a potent inhibitor of FTO (Fat mass and obesity-associated protein). Dysregulation of the m⁶A RNA pathway has been described in numerous peer reviewed studies to be a driver of a diverse range of cancers.

Race Oncology has collaborated with Astex, City of Hope, MD Anderson, Sheba City of Health, UNC School of Medicine, University of Wollongong and University of Newcastle, and is actively exploring partnerships, licence agreements or a commercial merger and acquisition to accelerate access to bisantrene for patients with cancer across the world.

Learn more at www.raceoncology.com.

If you have any questions on this announcement or any past Race Oncology announcements, please go to the Interactive Announcements page in our Investor Hub <https://announcements.raceoncology.com>

Race encourages all investors to go paperless by registering their details with the Company's share registry, Automic Registry Services, at www.automicgroup.com.au.

Release authorised by the Board

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RACE ONCOLOGY LIMITED (RAC)

Appendix 4C**Quarterly cash flow report for entities
subject to Listing Rule 4.7B****Name of entity**

RACE ONCOLOGY LIMITED (RAC)

ABN

61 149 318 749

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(1,667)	(8,133)
(b) product manufacturing and operating costs	(410)	(2,267)
(c) advertising and marketing	(73)	(363)
(d) leased assets	-	-
(e) staff costs	(253)	(1,066)
(f) administration and corporate costs	(304)	(1,153)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	180	642
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	4,003	5,661
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	1,476	(6,679)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	994	1,315
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (share buy-back)	-	-
3.10	Net cash from / (used in) financing activities	994	1,315

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	13,715	21,520
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,476	(6,679)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	994	1,315
4.5	Effect of movement in exchange rates on cash held	(24)	5
4.6	Cash and cash equivalents at end of period	16,161	16,161

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,661	2,415
5.2	Call deposits	10,500	11,300
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	16,161	13,715

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	110
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Payment to related parties as disclosed in item 6.1 as follows:</p> <ul style="list-style-type: none"> - \$58,275 payments for non-executive director fees for the period; - \$52,537 payments to executive director for the period, including superannuation paid during the quarter. 		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	1,476
8.2	Cash and cash equivalents at quarter end (item 4.6)	16,161
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	16,161
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 18 April 2024

Authorised by: The Board of Race Oncology Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.