

ASX ANNOUNCEMENT

16 January 2023

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**KAZIA ANNOUNCES PLACEMENT OF A\$4.5MILLION AND
LAUNCHES SHARE PURCHASE PLAN**

Sydney, 16 January 2023 – Kazia Therapeutics Limited (NASDAQ: KZIA; ASX: KZA), an oncology-focused drug development company, is pleased to announce a placement to professional and sophisticated investors and the launch of an associated Share Purchase Plan for eligible shareholders. Funding will be used to drive Kazia’s clinical program toward several critical inflection points, including the final data read out on the paxalisib GBM AGILE study.

“Given the challenging global market conditions for biotech and associated share price impacts, the Board decided to undertake a modest capital raise, with participation from existing shareholders only, to minimise dilution. We are grateful to have the support of our major shareholders through the Placement, and welcome participation from all eligible shareholders in the coming Share Purchase Plan,” commented Iain Ross, Chairman of the Board of Kazia Therapeutics.

“The proceeds of this transaction will position the company to drive towards important catalysts during CY2023. It will be a critical year for Kazia, with data read-outs expected across the full breadth of our clinical trial programs, including final data from the GBM AGILE pivotal study of paxalisib in glioblastoma.”

Key Points:

- Placement of A\$4,500,000, comprising:
 - An unconditional placement of A\$2,792,572 at \$0.11 per share; and
 - A conditional placement of A\$1,707,428 at \$0.11 per share, subject to approval by shareholders at an upcoming Extraordinary General Meeting
- Proceeds of the offer will provide funding for Kazia’s clinical trials and for general working capital purposes
- Incorporation of an SPP enables participation by eligible shareholders on the same terms

Board of Directors

Mr Iain Ross Chairman, Non-Executive Director

Mr Bryce Carmine Non-Executive Director

Mr Steven Coffey Non-Executive Director

Dr James Garner Chief Executive Officer, Managing Director

Offer Summary

Kazia Therapeutics Limited announces the successful launch of a two-tranche equity raising of A\$4.5 million at an issue price of A\$0.11, comprising:

- i. An A\$2,792,572 unconditional placement of new fully paid ordinary shares (**New Shares**) (**Unconditional Placement**) and;
- ii. An A\$1,707,428 placement of New Shares, conditional on shareholder approval for the purposes of ASX Listing Rule 7.1 (**Conditional Placement** and with the Unconditional Placement, the **Placement**),

each made to professional and sophisticated investors. The Placement is not underwritten.

In addition, Kazia will offer to eligible shareholders the opportunity to acquire up to A\$30,000 of New Shares through a Share Purchase Plan (**SPP**).

Proceeds from the Placement and SPP will be used to progress Kazia's clinical trials to deliver critical value inflection points through CY2023, and for general working capital purposes.

All new shares issued under the Placement and the SPP will rank equally with the existing ordinary shares.

Placement

The Placement to professional and sophisticated investors consists of an:

- A\$2,792,572 unconditional placement of 25,387,018 New Shares, representing approximately 16% of the total shares of Kazia on issue prior to the issue of the New Shares; and
- A\$1,707,428 placement of 15,522,075 New Shares, conditional on Kazia shareholder approval for the purposes of ASX Listing Rule 7.1.

The price of both the Unconditional Placement and the Conditional Placement will be A\$0.11 which represents a 13% premium to the 15-day volume-weighted average price (VWAP) on the Australian Securities Exchange (**ASX**) up to and including 11 January 2023 of A\$0.097.

An Extraordinary General Meeting (**EGM**) is expected to be held on 24 February 2023 to seek approval for the issuance of New Shares under the Conditional Placement. Kazia will provide eligible shareholders with a notice of meeting and explanatory materials over the coming days.

Share Purchase Plan

The non-underwritten SPP will allow eligible shareholders to purchase shares in Kazia up to a maximum of A\$30,000, free of any brokerage, commission and transaction costs. The issue price of the shares will be A\$0.11 (on same terms as the Placement price). The SPP will not be capped, and a target has not been set.

The SPP will be open to shareholders on the register on 13 January 2023 (**Record Date**) and who are eligible to participate under the terms of the SPP. Details of the offer will be provided to eligible shareholders in the coming days.

Indicative Timetable

The Indicative Timetable is as follows:

Placement

Announcement of Placement	16 January 2023
Settlement of New Shares to be issued under Unconditional Placement	16 January 2023
Allotment and ASX quotation of New Shares issued under Institutional Placement	17 January 2023
Expected date for EGM to approve Conditional Placement	24 February 2023
Settlement for New Shares issued under Conditional Placement (if approved)	Around 27 February 2023
Allotment and ASX quotation of New Shares issued under Conditional Placement (if approved)	Around 28 February 2023

Share Purchase Plan

SPP record date	13 January 2023
Announcement of SPP	16 January 2023
SPP offer opens and SPP booklet despatched	19 January 2023
SPP offer closes	24 February 2023
Issue and allotment of New Shares under SPP	3 March 2023
ASX quotation of New Shares issued under SPP	3 March 2023

The above timetable is indicative only and subject to change. Kazia reserves the right to alter the dates at its full discretion and without prior notice, subject to the ASX Listing Rules and

the Corporations Act 2001 (Cth). The quotation of New Shares is subject to confirmation from the ASX. All times are based on Sydney, Australia time.

The release of this announcement was authorised by the Board of Kazia.

For further information, please contact

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ENDS

This release does not constitute an offer to sell, or a solicitation of an offer to buy, shares in the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act for 1933, as amended (“U.S. Securities act”)), or for the account or benefit of, U.S. persons. The shares to be issued in the Placement and under the Share Purchase Plan have not been and will not be registered under the U.S. Securities Act. Shares may not be directly or indirectly offered or sold in the United States or to U.S. persons, or for the account or benefit of, U.S. Persons, absent registration under the U.S. Securities Act or in reliance on an exemption from registration.

About Kazia Therapeutics Limited

Kazia Therapeutics Limited (NASDAQ: KZIA; ASX: KZA) is an oncology-focused drug development company, based in Sydney, Australia.

Our lead program is paxalisib, a brain-penetrant inhibitor of the PI3K / Akt / mTOR pathway, which is being developed to treat multiple forms of brain cancer. Licensed from Genentech in late 2016, paxalisib is or has been the subject of ten clinical trials in this disease. A completed phase II study in glioblastoma reported promising signals of efficacy in 2021, and a pivotal study for registration, GBM AGILE, is ongoing, with final data expected in CY2023. Other clinical trials are ongoing in brain metastases, diffuse midline gliomas, and primary CNS lymphoma, with several of these having reported encouraging interim data.

Paxalisib was granted Orphan Drug Designation for glioblastoma by the US FDA in February 2018, and Fast Track Designation for glioblastoma by the US FDA in August 2020. In addition, paxalisib was granted Rare Pediatric Disease Designation and Orphan Designation by the US FDA for DIPG in August 2020, and for atypical teratoid / rhabdoid tumours (AT/RT) in June 2022 and July 2022, respectively.

Kazia is also developing EVT801, a small-molecule inhibitor of VEGFR3, which was licensed from Evotec SE in April 2021. Preclinical data has shown EVT801 to be active against a broad range of tumour types and has provided compelling evidence of synergy with immuno-oncology agents. A phase I study commenced recruitment in November 2021.

For more information, please visit www.kaziatherapeutics.com or follow us on Twitter @KaziaTx.

Forward-Looking Statements

This announcement may contain forward-looking statements, which can generally be identified as such by the use of words such as “may,” “will,” “estimate,” “future,” “forward,” “anticipate,” or other similar words. Any statement describing Kazia's future plans, strategies, intentions, expectations, objectives, goals or prospects, and other statements that are not historical facts, are also forward-looking statements, including, but not limited to, statements regarding: the timing for results and data related to Kazia’s clinical and preclinical trials, and Kazia’s strategy and plans with respect to its programs, including paxalisib and EVT801. Such statements are based on Kazia’s expectations and projections about future events and future trends affecting its business and are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements, including risks and uncertainties: associated with clinical and preclinical trials and product development, related to regulatory approvals, and the related to the impact of global economic conditions. These and other risks and uncertainties are described more fully in Kazia’s Annual Report, filed on form 20-F with the SEC, and in subsequent filings with the SEC. Kazia undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required under applicable law. You should not place undue reliance on these forward-looking statements, which apply only as of the date of this announcement.