

ASX RELEASE

20 November 2018

Not for release to US newswire services or distribution in the United States

KAZIA SHARE PURCHASE PLAN RAISES A\$0.8M, TAKING TOTAL FUNDS RAISED TO A\$4.2 MILLION

Sydney, 20 November 2018 – Kazia Therapeutics Limited (ASX: KZA; NASDAQ: KZIA), an Australian oncology-focused biotechnology company, is pleased to announce that the Share Purchase Plan (SPP), as described in the SPP booklet dated 23 October 2018, has now been successfully completed.

The SPP achieved subscriptions from eligible shareholders amounting to approximately A\$0.8 million, bringing the total proceeds of this financing round to AU\$4.2 million (before costs). The final figure is subject to clearance of cheques. All of the directors of Kazia participated to the full extent of their entitlement. The new shares will be issued on 23 November 2018 and will be freely tradeable on the ASX from 26 November 2018.

The SPP offered eligible shareholders the opportunity to apply for up to A\$15,000 worth of new fully paid ordinary shares in Kazia, without incurring brokerage or other transaction costs. Shares under the SPP were offered at a price of A\$0.38 per share, which was equal to the price under the institutional placement announced by Kazia on 18 October 2018, in which AU\$ 3.4M was raised primarily from sector-specialist institutional investors.

Kazia Chairman, Iain Ross, commented, “we have been delighted to receive applications to participate in the SPP from 130 shareholders, ranging from members of the top twenty investors to holders of just a few hundred shares.

The proceeds of the SPP, when added to the recent institutional placement, will strengthen the company’s balance sheet considerably, and leave us confident of being able to complete the ongoing phase IIa GDC-0084 study and the ongoing phase I Cantrixil study. In addition, the new monies from the SPP will allow us to contemplate additional collaborations and partnerships such as those recently announced with St Jude Children’s Research Hospital and Dana-Farber Cancer Institute.”

He added, “this is a challenging market for biotech at present, and the SPP has significantly exceeded expectations. We are grateful as always for the very substantial support of our

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

shareholders. The funds raised through the SPP put the company in a strong position to deliver significant, value-driving clinical data read-outs throughout calendar 2019.”

[ENDS]

About Kazia Therapeutics Limited

Kazia Therapeutics Limited (ASX: KZA, NASDAQ: KZIA) is an innovative oncology-focused biotechnology company, based in Sydney, Australia. Our pipeline includes two clinical-stage drug development candidates, and we are working to develop therapies across a range of oncology indications.

Our lead program is GDC-0084, a small molecule inhibitor of the PI3K / AKT / mTOR pathway, which is being developed to treat glioblastoma multiforme, the most common and most aggressive form of primary brain cancer in adults. Licensed from Genentech in late 2016, GDC-0084 entered a phase II clinical trial in March 2018. Initial data is expected in early calendar 2019. GDC-0084 was granted orphan designation for glioblastoma by the US FDA in February 2018.

TRX-E-002-1 (Cantrixil), is a third-generation benzopyran molecule with activity against cancer stem cells, and is being developed to treat ovarian cancer. TRX-E-002-1 is currently undergoing a phase I clinical trial in Australia and the United States. Initial data was presented in June 2018 and the study remains ongoing. Cantrixil was granted orphan designation for ovarian cancer by the US FDA in April 2015.

Summary Information

The following disclaimer applies to this announcement and any information contained in it (the **Information**). The Information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with Kazia's other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at www.asx.com.au. You are advised to read this disclaimer carefully before reading or making any other use of this announcement or any Information contained in this announcement. In accepting this announcement, you agree to be bound by the following terms and conditions including any modifications to them.

Forward Looking Statements

This announcement may include forward-looking statements. These forward-looking statements are based on Kazia's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Kazia, which could cause actual results to differ materially from such statements. Kazia makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of this announcement.

Not for release in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer would be illegal. The securities referred to in this announcement have not been, nor will be, registered under the US Securities Act of 1933 (**Securities Act**), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, such securities may not be offered or sold, directly or indirectly, in the United States or to any US person (as defined in Rule 902 under the Securities Act) or to any person acting for the account or benefit of a US person, except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.