RACE ONCOLOGY LIMITED

ACN 149 318 749

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.00 am WST

DATE: 30 August 2017

PLACE: Level 2, 50 Kings Park Road, West Perth WA 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00 pm WST on 28 August 2017.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF TRANCHE 1 PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 6,050,000 Shares (**Tranche 1 Placement Shares**) each at an issue price of $0.20 (**Tranche 1 Placement**) on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the Tranche 1 Placement and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 - RATIFICATION OF TRANCHE 1 PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue by the Company of 5,200,000 Tranche 1 Placement Shares each at an issue price of $0.20 on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the Tranche 1 Placement and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – AUTHORITY TO ISSUE TRANCHE 2 PLACEMENT SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the Directors to issue up to 1,250,000 Shares (**Tranche 2 Placement Shares**) each at an issue price of $0.20 (**Tranche 2 Placement**) on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who may participate in the Tranche 2 Placement and a person who might obtain a benefit (except a benefit solely in their capacity as holder of ordinary securities) and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – AUTHORITY TO GRANT PLACEMENT OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the Directors to grant up to a total of 6,250,000 options (**Placement Options**) on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who may participate in the Placement Options and a person who might obtain a benefit (except a benefit solely in their capacity as holder of ordinary securities) and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,500,000 Options on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 200,000 Options on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE - SHARES

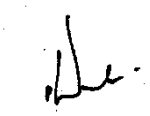
To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 150,000 Shares each at an issue price of $0.20 on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 27 July 2017

By order of the Board



Peter Webse
Company Secretary

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6377 8043.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTIONS 1 & 2 – RATIFICATION OF TRANCHE 1 PLACEMENT

1.1 General

On 17 July 2017, the Company announced a placement of 12,500,000 Shares to sophisticated and professional investors each at an issue price of $0.20 to raise $2,500,000 (before costs) to be completed in two tranches (being the **Tranche 1 Placement** and the **Tranche 2 Placement**) (**Placement**).

The Company completed the Tranche 1 Placement by issuing a total of 11,250,000 Shares (**Tranche 1 Placement Shares**) on 20 July 2017 to raise a total of $2,250,000 (before costs). Resolution 3 seeks Shareholder approval for the issue of the Placement's remaining 1,250,000 Shares (**Tranche 2 Placement Shares**). The funds raised from the issue of the Tranche 1 Placement Shares will be used to fund the planned launch of Bisantrene and support the Company's operations through the remainder of the 2017/18 year.

5,200,000 Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1A which was approved by Shareholders at the annual general meeting held on 21 November 2016, and 6,050,000 Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1.

Resolutions 1 and 2 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

1.2 Resolution 1 – ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

1.3 Resolution 2 – ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

(a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and

(b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of Resolution 2, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval. Although, it is noted that the Company's use of the 10% annual placement capacity following this Meeting remains conditional on Resolution 2 being passed by the requisite majority.

1.4 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

(a) 11,250,000 Tranche 1 Placement Shares were issued on the following basis:

  (i) 6,050,000 Shares were issued pursuant to ASX Listing Rule 7.1; and

  (ii) 5,200,000 Shares were issued pursuant to Listing Rule 7.1A;

(b) the Tranche 1 Placement Shares were issued at an issue price of $0.20 each to raise $2,250,000 (before costs);

(c) the Tranche 1 Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

(d) the Tranche 1 Placement Shares were issued to various sophisticated or professional investors, none of whom are related parties of the Company; and

(e) the funds raised from this issue have been, or will be, used to fund the planned launch of Bisantrene and support the Company's operations through the remainder of the 2017/18 year.

2. RESOLUTION 3 – AUTHORITY TO ISSUE TRANCHE 2 PLACEMENT SHARES

2.1 General

As detailed in Section 1.1, further to the issue of the Tranche 1 Placement Shares, Resolution 3 seeks Shareholder approval for the issue of 1,250,000 Tranche 2 Placement Shares at an issue price of $0.20 per Share to raise $250,000 (before costs).

The issue price of the Tranche 2 Placement Shares represents a 16.7% discount to the last closing price on 12 July 2017.

Set out below is a table showing the number of Shares that may be issued under the Placement as a whole and the dilutive effect that the Tranche 2 Placement will have on existing Shareholders:

Total number of Shares which the Company could issue under the Placement[1]	Current Shares	Total Shares on issue following completion of the Tranche 2 Placement[1]	Dilutive effect on existing Shareholders (B/C)
A	B	C	
12,500,000	64,087,501[1]	65,337,501	1.91%[2]

Notes:

1. Includes Shares issued pursuant to the Tranche 1 Placement.
2. Existing Shareholders will be subject to further dilution if any Options are exercised.

The funds raised from the issue of the Tranche 2 Placement Shares, together with the funds raised from the issue of the Tranche 1 Placement Shares, will be used to fund the planned launch of Bisantrene and support the Company's operations through the remainder of the 2017/18 year.

A summary of ASX Listing Rule 7.1 is provided at Section 1.2.

The effect of Resolution 3 will be to allow the Company to issue the Tranche 2 Placement Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

2.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Ratification:

(a) the maximum number of Shares that the Company may issue under the Tranche 2 Placement is 1,250,000.

(b) the Tranche 2 Placement Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules) and it is intended that issue of the Tranche 2 Placement Shares will occur on the same date.

(c) the Tranche 2 Placement Shares will be issued at an issue price of $0.20 each to raise $250,000 (before costs);

(d) the Tranche 2 Placement Shares will be issued to sophisticated and professional investors, none of whom will be related parties of the Company;

(e) the Tranche 2 Placement Shares will comprise fully paid ordinary shares in the capital of the Company ranking equally with all other fully paid ordinary shares of the Company; and

(f) the funds raised from the issue of the Tranche 2 Placement Shares will be used to fund the planned launch of Bisantrene and support the Company's operations through the remainder of the 2017/18 year.

3. RESOLUTION 4 – AUTHORITY TO ISSUE PLACEMENT OPTIONS

3.1 General

The Company has agreed, to issue a total of 6,250,000 Options (**Placement Options**) to subscribers to the Tranche 1 and Tranche 2 Placement Shares on a one for two basis. The Placement Options will be exercisable at $0.30 each on or before 30 September 2018.

Full terms and conditions of the Placement Options are set out in Schedule 1.

A summary of ASX Listing Rule 7.1 is set out in section 1.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

3.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Ratification:

(a) the maximum number of Placement Options to be issued is 6,250,000;

(b) the Placement Options will be granted no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules) and it is intended that all of the Placement Options will be granted on the same date;

(c) the Placement Options will be issued for nil consideration as they will be issued as attaching Options to the Placement Shares;

(d) the Placement Options will be issued to the subscribers to the Placement. None of these subscribers are related parties of the Company

(e) the Options will be issued on the terms and conditions set out in Schedule 1; and

(f) there will be no funds raised from the issue of the Placement Options.

4. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – OPTIONS

4.1 General

On 28 March 2017, the Company issued 1,500,000 Options (**Beck Options**), each exercisable at $0.25 on or before 1 April 2022 to Mr Gordon Beck in part consideration for services to be provided to the Company.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Beck Options (**Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 1.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

(a) 1,500,000 Beck Options were issued on 28 March 2017;

(b) the Beck Options were issued for nil consideration as they were issued in part consideration for services to be provided by Mr Gordon Beck to the Company. Accordingly, no funds were raised from the issue of the Options;

(c) the Beck Options were issued on the terms and conditions set out in Schedule 2;

(d) the Beck Options were issued to Mr Gordon Beck, who is not a related party of the Company; and

(e) no funds were raised from this issue as the Options were issued for nil consideration for services provided by Mr Gordon Beck.

5. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – OPTIONS

5.1 General

On 22 November 2016, the Company issued 200,000 Options (**DEL Options**), each exercisable at $0.256 on or before 1 August 2021 to DEL BioPharma LLC in part consideration for services to be provided to the Company.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those DEL Options (**Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 1.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Resolution 6 is an ordinary resolution.

5.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

(a) 200,000 DEL Options were issued on 22 November 2016;

(b) The DEL Options were issued for nil consideration as they were issued in part consideration for services to be provided by DEL BioPharma LLC to the Company;

(c) The DEL Options were issued on the terms and conditions set out in Schedule 3

(d) the DEL Options were issued to DEL BioPharma LLC, who is not a related party of the Company; and

(e) no funds were raised from the issue as the DEL Options were issued in part consideration for services provided by DEL BioPharma LLC to the Company.

6. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – SHARES

6.1 General

On 8 March 2017, the Company issued 150,000 Shares to S3 Consortium Pty Ltd in part consideration for services to be provided to the Company.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 1.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

(a) 150,000 Shares were issued;

(b) the Shares were issued at a deemed issue price of $0.20 in part consideration for services to be provided by S3 Consortium Pty Ltd to the Company. ;

(c) the Shares comprised fully paid ordinary Shares of the Company ranking equally with all other fully paid Shares of the Company;

(d) the Shares were issued to S3 Consortium Pty Ltd, who is not a related party of the Company; and

(e) there were no funds raised from the issue of the Shares as the Shares were issued in consideration for services to be provided by S3 Consortium Pty Ltd to the Company.

GLOSSARY

$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Race Oncology Limited (ACN 149 318 749).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Placement Options has the meaning given in Section 3.1.

Placement Shares has the meaning given in Section 1.1.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF PLACEMENT OPTIONS

1. Entitlement

Each Placement Option (**Option**) entitles the holder to subscribe for one Share upon exercise of the Option.

2. Exercise Price

Each Option is exercisable at $0.30 (**Exercise Price**).

3. Expiry Date

Each Option will expire at 5:00 pm (WST) on 30 September 2018 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

5. Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

6. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

8. Shares issued on exercise

Shares issued on exercise of the Options will rank equally with the then shares of the Company.

9. Reconstruction of Capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will give holders of the Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

11. Options not quoted

The Company will not apply to ASX for quotation of the Options.

12. Change in Exercise Price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 2 – TERMS AND CONDITIONS OF BECK OPTIONS

1. Entitlement

Each Beck Option (**Option**) entitles the holder to subscribe for one Share upon exercise of the Option.

2. Exercise Price and Expiry Date

Each Option is exercisable at $0.25 (**Exercise Price**) on or before 1 April 2022 (**Expiry Date**).

3. Vesting Dates

750,000 Options vest on 1 April 2018 and 750,000 Options vest on 1 April 2019.

4. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

5. Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

6. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

8. Shares issued on exercise

Shares issued on exercise of the Options will rank equally with the then shares of the Company.

9. Reconstruction of Capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will give holders of the Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

11. Options not quoted

The Company will not apply to ASX for quotation of the Options.

12. Change in Exercise Price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 3 – TERMS AND CONDITIONS OF DEL OPTIONS

1. Entitlement

Each DEL Option (**Option**) entitles the holder to subscribe for one Share upon exercise of the Option.

2. Exercise Price and Expiry Date

Each Option is exercisable at $0.256 (**Exercise Price**) on or before 1 August 2021 (**Expiry Date**).

3. Vesting Date

The Options vest on 1 August 2017 (**Vesting Date**). The number of Options vesting on the Vesting Date will be calculated based on the performance score against key performance indicators (**KPIs**) as agreed between the parties. The performance score will be the percentage of all agreed KPIs satisfactorily competed at the Vesting Date. The number of Options vesting on the Vesting Date will be that score multiplied by 200,000.

4. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

5. Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

6. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

8. Shares issued on exercise

Shares issued on exercise of the Options will rank equally with the then shares of the Company.

9. Reconstruction of Capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will give holders of the Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

11. Options not quoted

The Company will not apply to ASX for quotation of the Options.

12. Change in Exercise Price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Race Oncology Limited | ABN 61 149 318 749

Holder Number:

Appointment of Proxy

STEP 1: Please appoint a Proxy

Appoint a proxy

I/We being a Shareholder entitled to attend and vote at a General Meeting of the Company, to be held at **11.00am (WST) on Wednesday, 30 August 2017 at Level 2, 50 Kings Park Road, West Perth WA 6005** hereby:

Appoint the Chairman of the Meeting (Chair) as my/our proxy. If you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

STEP 2: Voting Direction

Resolutions		For	Against	Abstain
1	Ratification of Tranche 1 Placement	☐	☐	☐
2	Ratification of Tranche 1 Placement	☐	☐	☐
3	Authority to Issue Tranche 2 Placement Shares	☐	☐	☐
4	Authority to Grant Placement Options	☐	☐	☐
5	Ratification of Prior Issue – Options	☐	☐	☐
6	Ratification of Prior Issue – Options	☐	☐	☐
7	Ratification of Prior Issue - Shares	☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name..... Contact Daytime Telephone.....

Email Address _____

LODGING YOUR PROXY VOTE

This Proxy Voting Form (and any Power of Attorney under which it is signed) must be received at an address given below by 11.00am (WST) on Monday, 28 August 2017, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting Forms received after that time will not be valid for the scheduled Meeting.

Proxy Voting Forms can be lodged:

BY MAIL
Race Oncology Limited
PO Box 271
West Perth WA 6872

BY HAND
Race Oncology Limited
Level 2, 50 Kings Park Road
West Perth WA 6005

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: **https://investor.automic.com.au/#/home** Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services on 1300 288 664 or you may copy this form.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided
Individual: Where the holding is in one name, the Shareholder must sign.
Joint holding: Where the holding is in more than one name, all of the Shareholders should sign.
Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.
Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.
Email Address: Please provide your email address in the space provided.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automic.com.au.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.