

ASX Announcement

June 2024 Quarterly Activity Report & Appendix 4C

- RC220 bisantrene non-clinical safety and pharmacology studies completed on time to Good Laboratory Practice standards, a critical step for use in human clinical trials
- US FDA extended Orphan Drug Designation & Rare Paediatric Disease Designation to RC220 bisantrene to AML and paediatric AML respectively
- Bonus Option conversions by shareholders has increased net cash to \$17.19 million.

23 July 2024 – Race Oncology Limited (“Race”) is pleased to release its Q4 FY2024 quarterly report for the period ended 30 June 2024. Race’s cash and cash equivalents totalled \$17.19 million as of 30 June 2024, up \$1.03 million on the Q3 FY2024 cash and equivalents position. A total of \$5 million was raised via shareholder exercise of bonus options (ASX Announcement: 22 November 2023).

The quarter was transformational for Race, with completion of the RC220 bisantrene non-clinical GLP safety data studies, which together with the cGMP manufacturing of RC220 last quarter, are key steps towards new human clinical trials to commence later in 2024. Further adding to this success, the US FDA extended Orphan Drug Designation (ODD) for Acute Myeloid Leukaemia (AML) and Rare Paediatric Disease Designation (RPDD) to RC220 bisantrene for paediatric AML. Finally, Race announced impressive preclinical results showing significantly enhanced killing of a broad range of cancer cells in combination with decitabine and carfilzomib, extending the potential utility of bisantrene beyond use with anthracyclines as a cardioprotective anticancer agent.

Significant progress has been made toward initiation of the first Phase 1a/1b human clinical trial of RC220 bisantrene in advanced solid tumour patients where doxorubicin use is indicated. In the quarter, the George Clinical was appointed as Clinical Research Organisation (CRO) to support the trial. Further updates on the progress of the trial are expected throughout H2 2024.

Management commentary

Chief Executive Officer, Dr Daniel Tillett commented: *“This quarter has been highly productive with major progress made in bringing RC220 bisantrene to the clinic, aided by extension of US FDA ODD and RPDD to RC220. We continue to discover new opportunities to use bisantrene in combination with current standard of care anticancer drugs as we advance RC220 to the clinic in 2024. All this success has been made possible by the dedication and skill of the whole team at Race. I wish to also extend special thanks to all the shareholders who have continued to generously support Race via exercising the bonus options. I also warmly welcome our new team members Dr Rodney Cusack and Sharon Sampath.”*

Key events of the quarter

- On 14 May, Race reported results where bisantrene was screened in combination with decitabine for enhanced anticancer activity across a broad panel of 143 cancer cell lines, representative of solid and blood cancers originating from more than 20 different human tissues. In this preclinical study, performed under contract by Oncolines B.V. (Netherlands), decitabine was found to enhance the cell-killing activity of bisantrene across a comprehensive range of the most common human cancer types, including many solid tumours. Combining decitabine with bisantrene at clinically relevant

concentrations, significantly enhanced cancer cell-killing, with 92% (131 out of 143) of the cell lines showing improvement.

- On 6 June, Race thanked shareholders for their strong support of the Bonus Options Offer announced on 22 November 2023 with 84% of all possible Bonus Options issued being exercised, which resulted in the issuance of 6,713,931 new RAC shares and provides over \$5.0m in new capital to support the company's clinical and preclinical programs. The bonus options were issued on the basis of one (1) Bonus Option for every twenty (20) shares held by Eligible Shareholders registered at the Record Date of 30 November 2023. A further three (3) Piggyback Options for every one (1) Bonus Option exercised were issued to eligible, participating shareholders.
- On 11 June, Race announced the United States Food and Drug Administration (FDA) had extended Orphan Drug Designation (ODD) to Race's proprietary formulation of bisantrene, RC220. US FDA ODD was first granted to Update Pharma Inc. in 2014, covering the RC110 formulation of bisantrene for the treatment of acute myeloid leukemia (AML). The ODD was transferred to Race in 2017 and this designation has been maintained by annual reporting of clinical and non-clinical activities involving bisantrene to the FDA.
- On 13 June, Race shared results of preclinical work performed under contract by Labcorp (USA). In these studies, bisantrene, as a single agent treatment, was found to be effective against human multiple myeloma in a mouse model and more effective in combination with the standard of care multiple myeloma proteasome inhibitor, carfilzomib (trademark Kyprolis®, Amgen). In this mouse model, treatment with bisantrene was found to significantly slow multiple myeloma disease progression, whereas carfilzomib at the maximum tolerated dosage showed no single-agent activity. Despite a lack of activity when used alone, carfilzomib, when combined with bisantrene, was able to slow disease progression more than bisantrene treatment alone.
- On 18 June, Race announced that the United States Food and Drug Administration (US FDA) had extended Rare Paediatric Disease Designation (RPDD) to RC220 bisantrene for the treatment of childhood (paediatric) subtypes of AML. RPDD was previously granted (in 2018) by the US FDA to RC110 bisantrene. According to the US FDA, *"Under this voucher program, a sponsor who receives an approval for a drug or biological product for a rare paediatric disease may qualify for a voucher that can be redeemed to receive priority review for a different product. The sponsor may also transfer or sell the voucher to another sponsor."* The RPDD for paediatric AML may enable Race to be eligible to receive a Priority Review Voucher (PRV) that can be redeemed for an accelerated 6-month review of RC220 bisantrene or any other new drug application submitted to the US FDA. Granted PRVs may also be transferred or sold to other companies for use in the same manner on the secondary market. The reported purchase prices of PRVs to third parties on the open market in recent times have averaged more than US\$100 million (range US\$67.5 million to US\$350 million). The RPDD PRV scheme is scheduled to conclude in 2026, however, industry expectation is the program will be extended as has occurred previously.
- On 20 June, Race announced the appointment of the Contract Research Organisation (CRO), George Clinical, to support the clinical development of RC220 bisantrene. George Clinical was selected after an extensive and rigorous selection process conducted by the Race Oncology clinical team. George Clinical is a leading global CRO with over 20 years of operation, extensive trial experience globally and an impressive track record of success conducting oncology trials at all clinical phases in the United States, Europe, China, South-East Asia, New Zealand and Australia. In addition to clinical trial expertise, George Clinical, brings access to a supplementary network of key opinion leading clinical oncologists with extensive expertise in the treatment of solid tumours with anthracyclines.

- On 26 June, Race announced that the Good Laboratory Practice (GLP) toxicology and safety pharmacology studies have been successfully completed for RC220 bisantrene. No unexpected or unacceptable toxicities were observed, and the completed data package supports the use of RC220 bisantrene in human clinical trials. In October 2023, Race contracted Attentive Science (USA) and Agilex Biolabs (Australia) to undertake the regulatory-standard GLP non-clinical toxicology and safety pharmacology studies required to advance RC220 bisantrene into human clinical trials (ASX Announcement: 5 October 2023). These studies aimed to: (i) demonstrate in two animal species that RC220 bisantrene is safe and amenable to administration via peripheral IV infusion in humans, and (ii) establish an acceptable starting dose for Phase I clinical studies. The GLP program was delivered on-time and on-budget.

Other news from the quarter

During the quarter Race appointed Dr Rodney Cusack as Senior Scientist and Ms Sharon Sampath as Clinical Project Manager.

- Dr Cusack brings over two decades of experience in the pharmaceutical industry and university sector. He has a proven track record of planning and implementing successful early-stage/translational programmes that cover the full gamut of activities, from manufacturing through to regulatory submissions. He holds a BSc (Hons) from the University of Western Australia, a PhD (Chemistry) from the University of Queensland, and an MBA from Queensland University of Technology.
- Ms Sampath has five years' experience in the clinical research sector, a Master's degree in Pharmaceutical and Medical Device Development, and a Chemical & Biomolecular Engineering Degree. She has held roles from clinical research associate (CRA) to clinical project manager (CPM) and has gained skillsets in clinical operations with end-to-end clinical trial management experience across many clinical trial management systems and tools.

Summary of cash flow and quarterly activity

As of 30 June 2024, Race held cash and equivalents of \$17.19 million, up from \$16.16 million on 31 March 2024. The net increase in cash reserves of \$1.03 million is principally due to inflows from option conversions, combined with a continued reduction in administrative costs and the completion of the RC220 bisantrene non-clinical safety studies to Good Laboratory Practice (GLP) standards for use in human clinical trials.

Listing rule 4.7C.3

Payments during the quarter to Related Parties amounted to \$111k, comprising payments of salaries and superannuation to an Executive Director of \$52.7k and board fees to Non-Executive Directors of \$58.3k.

Shareholders by holding range

Race is pleased to report that the total shareholders increased to 9,842 as of 30 June 2024, demonstrating continued and renewed investor interest in Race as we move to the clinic with RC220 bisantrene.

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	4,533	1,793,427	1.05%
above 1,000 up to and including 5,000	2,714	6,668,872	3.92%
above 5,000 up to and including 10,000	838	6,236,129	3.66%
above 10,000 up to and including 100,000	1,492	45,971,402	26.99%
above 100,000	265	109,633,873	64.38%
Total	9,842	170,303,703	100.00%

Top 20 Holders as of 30 June 2024

Race is pleased to share the current Top 20 shareholders as of 30 June 2024. Shareholders can expect regular updates in future quarterly reports.

Position	Holder Name	Holding	% IC
1	DR DANIEL TILLET	17,267,615	10.14%
2	MR PHILLIP RICHARD PERRY	6,334,328	3.72%
3	MR MARK PHILLIP JUAN	5,820,462	3.42%
4	BIOSYNERGY PARTNERS PTY LTD	5,397,009	3.17%
5	THE TRUST COMPANY (AUSTRALIA) LIMITED <MOF A/C>	5,147,246	3.02%
6	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	2,566,745	1.51%
7	MARINELLA MESSINA	1,845,245	1.08%
8	MR PHILLIP RICHARD PERRY & MRS TETYANA PERRY <DONESKA SUPER FUND A/C>	1,669,500	0.98%
9	MR SANDOR HELBY	1,585,000	0.93%
10	MR KIMBERLEY ROSS GARTRELL & MRS JENNIFER MARGARET GARTRELL <K&J GARTRELL SUPER FUND A/C>	1,575,000	0.92%
11	KUDOSS INVESTMENTS PTY LTD <AITKEN GLOBAL FAMILY A/C>	1,435,850	0.84%
12	MR ANTHONY JAMES ROBINSON <THE PEEKO FAMILY NO 86 A/C>	1,370,262	0.80%
13	MR ALAN GILES SAURAN	1,094,368	0.64%
14	PIERPOINT INVESTMENTS PTY LTD <PIERPOINT SUPER FUND A/C>	950,000	0.56%
15	MR BRIAN JAMES WALKER	948,500	0.56%
16	CITICORP NOMINEES PTY LIMITED	947,635	0.56%
17	SURPION PTY LTD <M W SUHR & CO A/C>	901,188	0.53%
18	MR VAN QUY DO	825,788	0.48%
19	MR BEAU THOMAS ROBINSON <BEAU ROBINSON INVSTMNT A/C>	718,458	0.42%
20	MR GRAEME STEWART POCKNALL & MRS VIVIENNE GLYNIS POCKNALL	674,511	0.40%
	T20 Total	59,074,710	34.69%
	Total issued capital	170,303,703	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 wide used 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 aim to deliver cardioprotection and enhanced anticancer activity in a range of 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 at <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:

Board of Race Oncology
info@raceoncology.com

Media contact:

Jane Lowe +61 411 117 774
jane.lowe@irdepartment.com.au

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")

30 June 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(2,076)	(10,208)
(b) product manufacturing and operating costs	(345)	(2,612)
(c) advertising and marketing	(58)	(421)
(d) leased assets	-	-
(e) staff costs	(240)	(1,305)
(f) administration and corporate costs	(344)	(1,497)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	191	833
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	5,661
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(2,872)	(9,550)
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 (12 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	3,899	5,214
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(5)	(5)
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	3,894	5,209

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	16,161	21,520
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,872)	(9,550)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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)	3,894	5,209
4.5	Effect of movement in exchange rates on cash held	5	10
4.6	Cash and cash equivalents at end of period	17,189	17,189

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	1,389	5,661
5.2	Call deposits	15,800	10,500
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)	17,189	16,161

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	111
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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> Payment to related parties as disclosed in item 6.1 as follows: - \$58,275 payments for non-executive director fees for the period; - \$52,725 payments to executive directors 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)	(2,872)
8.2	Cash and cash equivalents at quarter end (item 4.6)	17,189
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	17,189
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	5.98
	<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: 23 July 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.