

Kazia raises A\$4.0 M to progress R&D programs

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Kazia Therapeutics Limited, an Australian oncology-focused biotechnology company, on 28 October 2019, announced that the completion of a placement of ten million new fully paid ordinary shares in the Company to institutional, professional, and sophisticated investors in Australia and internationally, at a price of A\$0.40 per New Share (Institutional Placement). The Institutional Placement will raise A\$4.0 million (exclusive of costs).

Key Points

- Oversubscribed Institutional Placement led by multiple high-quality institutional investors in Australia and Asia
- Company has capitalised on recent appreciation in share price, driven by emerging data from broad-based clinical trial programs, and has substantially strengthened balance sheet while minimizing dilution of existing investors
- Institutional Placement to raise \$4.0 million(exclusive of costs), priced at a discount of 14% to the last close and with no warrants, has been executed at a premium to the previous round in 2018
- New Shares will be issued under the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A
- Funds raised secure Company's ability to further progress GDC-0084 and Cantrixil programs through high-value data readouts during 2020, as well as to provide working capital to the Company.

Kazia Chairman, Iain Ross, commented, "we have been encouraged by a strong interest in the Company from professional and institutional investors, and the Board has considered it appropriate to take the opportunity to strengthen the Company's balance sheet. It is a testament to the Company's growing credibility and prospects that this round has been performed at a premium to our last round, and without the need for warrants, convertible notes, or similar arrangements, and was oversubscribed. The proceeds of the placement will allow us to complete the ongoing phase I clinical study of Cantrixil and the ongoing phase II study of GDC-0084, as well as to make very significant progress in the four collaborative studies of GDC-0084."

Institutional Placement

Under the terms of the Institutional Placement, 10 million New Shares have been allocated to institutional, professional, and sophisticated investors at a price of A\$0.40 per New Share, representing a 14% discount to the last closing price on 23 October 2019 (A\$0.465).

New Shares to be issued under the Institutional Placement will be issued without shareholder approval under the Company's existing placement capacity under ASX Listing Rules 7.1 (9,250,000 shares) and 7.1A (750,000 shares). The

settlement is expected to occur on or around 31 October 2019 and the New Shares issued under the Institutional Placement are expected to be allotted and commence trading on ASX on 1 November 2019. The New Shares will rank equally with the Company's existing shares on issue.

The Institutional Placement was led by Bell Potter Securities Limited.

The Institutional Placement occurs in the context of considerable clinical development activity across both of the Company's oncology assets. Kazia expects to present interim clinical data from its ongoing phase II study of GDC-0084 in glioblastoma at the upcoming Society for Neuro-Oncology (SNO) annual meeting in Phoenix, AZ on 20-24 November 2019. Further data from this and other ongoing studies are anticipated early in calendar 2020.