

## ASX RELEASE

2 November 2020

### UNMARKETABLE PARCEL SHARE SALE FACILITY

- Kazia is implementing an opt-out facility to allow shareholders to sell unmarketable holdings without having to pay brokerage or other handling costs
- Kazia's administration costs incurred in maintaining a large number of small holdings will be reduced

**Sydney, 2 November 2020** – Kazia Therapeutics Limited (ASX: KZA; NASDAQ: KZIA) is pleased to announce it has initiated an opt-out share sale facility to enable eligible shareholders to sell their unmarketable parcels of shares (less than A\$500 worth of shares as calculated on 30 October 2020, or the "Record Date") without incurring any brokerage or handling costs. At the same time, this will assist Kazia in reducing costs associated with servicing smaller holdings.

Consistent with the Company's Constitution and recognising that the cost to shareholders of selling small holdings can be prohibitive, shareholders with an unmarketable parcel of shares will shortly receive a letter in the form attached.

The letter explains that, unless shareholders advise the Company's Share Registry, their shares will be sold and the proceeds remitted to them at no cost to them. Shareholders who wish to retain their unmarketable parcels of shares must return the form enclosed with the letter, by the closing date specified in the letter, otherwise their shares will be sold.

Holdings greater than A\$500 in value at the Record Date will not be affected and will not be eligible to participate in the share sale facility. Based on the closing price of A\$0.79 on 30 October 2020, this is a holding of 632 shares or less.

At the Record Date there are 2584 shareholders who would be eligible to participate in the Sale Facility, representing 51.19% of total shareholders. The eligible shareholders hold 468,414 ordinary shares in Kazia, representing 0.003% of total issued capital. A summary of the key dates in relation to the share sale facility are as follows:

#### 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

Event	Date
Record Date	7.00pm (AEDT), 30 October 2020
Letter sent to eligible shareholders	6 November 2020
Closing Date for receipt of Share Retention Form	5.00pm (AEDT) 18 December 2020
Estimated Payment Date	Early February 2021

Kazia may modify these dates or suspend or terminate the share sale facility. Any modification, suspension or termination will be notified to shareholders through an announcement to the ASX.

[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 paxalisib (formerly GDC-0084), a small molecule inhibitor of the PI3K / AKT / mTOR pathway, which is being developed to treat glioblastoma, the most common and most aggressive form of primary brain cancer in adults. Licensed from Genentech in late 2016, paxalisib entered a phase II clinical trial in 2018. Interim data was reported most recently at AACR in June 2020, and further data is expected in 2H 2020. Five additional studies are in start-up or ongoing in other forms of brain cancer. 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.

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 has completed a phase I clinical trial in Australia and the United States with the final data expected in the second half of calendar 2020. Interim data was presented most recently at the AACR conference in June 2020. Cantrixil was granted orphan designation for ovarian cancer by the US FDA in April 2015.

For more information, please visit [www.kaziatherapeutics.com](http://www.kaziatherapeutics.com).

This document was authorized for release to the ASX by James Garner, Chief Executive Officer, Managing Director.

6 November 2020

**THIS LETTER CONTAINS IMPORTANT INFORMATION ABOUT YOUR KAZIA THERAPEUTICS SHAREHOLDING AND REQUIRES YOUR IMMEDIATE ATTENTION**

Dear Shareholder

**Notice of Share Sale Facility for Holders of Unmarketable Parcels**

I am writing to advise all shareholders who hold less than A\$500 worth of Kazia Therapeutics Limited ("Kazia" or "the Company") shares (each an "Unmarketable Parcel"), that Kazia is implementing an unmarketable parcel share sale facility ("UMP Facility") under Section 13 of Kazia's Constitution.

Our records indicate that you are the holder of an Unmarketable Parcel as at 7.00pm (AEDT) on 30 October 2020 (the "Record Date"), therefore your holding has been included in the UMP Facility.

If the market value of your shareholding remains less than A\$500 on 18 December 2020, your Kazia shares will be sold, unless you notify Kazia's Share Registry otherwise. If you wish to retain your shares, please notify us of your intention, by following the opt-out procedure set out in Section 2 below.

Please note that this letter is the first and final notice to you and other Kazia shareholders who hold Unmarketable Parcels of shares.

**1. Key Dates**

A summary of the key dates in relation to the UMP facility are as follows:

Event	Date
<b>Record Date</b>	7.00pm (AEDT), 30 October 2020
<b>Letter sent to eligible shareholders</b>	6 November 2020
<b>Closing Date for receipt of Share Retention Form</b>	5.00pm (AEDT) 18 December 2020
<b>Estimated Payment Date</b>	Early February 2021

Kazia may modify these dates or suspend or terminate the UMP facility. Any modification, suspension or termination will be notified to shareholders through an announcement to the ASX.

## 2. Your Options

### **What do you need to do if you wish to retain your Unmarketable Parcel of Shares?**

If you wish to retain your Kazia shares you must complete the 'Share Retention' form attached to this letter and ensure that you return it to Kazia's Share Registry, Computershare Investor Services Pty Ltd ("Computershare"), at GPO Box 52 Melbourne Victoria 3001 so that they receive it by 5.00pm (AEDT) on 18 December 2020 ("Offer Closing Date"). Please carefully read the instructions on the attached form before completing it.

### **What do you need to do if you wish Kazia to sell your Unmarketable Parcel of Shares?**

If you want to sell your shares through the UMP Facility, you do not need to take any action. If you do not take any actions by the Offer Closing Date and the value of your Kazia shareholding remains less than A\$500, then your Kazia shares will be pooled with other shares that are eligible to be sold under this UMP Facility and will be sold as soon as practicable following the Offer Closing Date.

## 3. More Information of the UMP Facility

Set out below is further details of the UMP Facility, which you should read before making any decisions.

### **What is an Unmarketable Parcel of Shares?**

An Unmarketable Parcel is a parcel of Kazia shares valued at less than A\$500 as at close of trading on 30 October 2020. Based on the closing price of A\$0.79 on 30 October 2020, this is a holding of 632 shares or less.

At the Record Date there are 2584 shareholders who would be eligible to participate in the Sale Facility, representing 51.19% of total shareholders. The eligible shareholders hold 468,414 ordinary shares in Kazia, representing 0.003% of total issued capital.

### **What price will I receive for shares sold through the UMP Facility?**

The sale price of each of your Kazia shares will be the average price of every share sold under the UMP Facility. The price ultimately received will be determined by market conditions and may be different from the market price prevailing at the time. Accordingly, all holders of Unmarketable Parcels who are participating in the UMP Facility will receive the same sale price per share, and the payment for your holding will be the sale price multiplied by your number of shares.

Kazia will pay all transaction costs associated with the sale, including brokerage, and any applicable GST. Any tax consequences arising from the sale will remain your responsibility.

### **Why is Kazia implementing an UMP Facility?**

The Company welcomes the support of all shareholders and recognises that holders of Unmarketable Parcels may find it difficult or costly to dispose of their shares. In addition, Kazia incurs administrative costs in producing and distributing shareholder statements, annual reports, notices of meetings and other communication, irrespective of the size of the

shareholding. The cost of maintaining shareholder accounts can be disproportionately high when compared with the dollar value of a small shareholding. Accordingly, the UMP Facility has been introduced for the benefit of both shareholders and the Company.

**Does Kazia have the authority to sell my shares?**

Under Section 13 of Kazia's Constitution, the Company may notify shareholders who hold less than A\$500 worth of Kazia shares that it intends to sell their shares. This letter, and the Share Retention form which accompanies this letter, satisfies the notice requirements under Section 13.2 of the Company's Constitution and the ASX Listing Rule 15.13.3.

However, shareholders who hold Unmarketable Parcels have the opportunity to inform the Company's Share Registry that they wish to retain their shareholding. If a shareholder notifies the Company's Share Registry prior to the Offer Closing Date, their shares will not be sold. Otherwise, after the Offer Closing Date, the Company is entitled to sell the Unmarketable Parcels with the proceeds of sale remitted to the shareholder whose shares were sold.

**What if my shares are held in CHESS holding?**

If your shares are in a CHESS holding and remain in a CHESS holding on 18 December 2020 and are to be sold under the UMP Facility, you should note that Kazia may, without further notice to you, sell the relevant shares while they remain in your CHESS holding, and may initiate a holding adjustment to move those shares to an issuer sponsored holding or a certificated holding for the purposes of that sale.

**When will the proceeds from the sale of shares be sent to me?**

Kazia will arrange for the shares to be sold within the 8 weeks following the Offer Closing Date. It is expected that the proceeds (in Australian dollars) will be remitted to you by early February 2021.

The proceeds of the share sale will be deposited in your bank account if you have previously notified banking instructions to Kazia's Share Registry, or alternately will be sent to you by cheque at the address last recorded in Kazia's register of members. We encourage you to ensure that your bank account details and address have been provided to Kazia's Share Registry by the Offer Closing Date to enable a prompt payment.

**What happens if the value of your holding increases before the Offer Closing Date?**

If the market value of your Kazia shares increases before the Offer Closing Date, due to an increase in the Kazia share price, so that your shares that were previously identified by Kazia as being an Unmarketable Parcel now exceed A\$500 in value, the Company will not sell your shares. If you sell your Kazia shares prior to the Offer Closing Date, no further action will be taken.

**Can I purchase more shares so my shares won't be sold?**

The Company will treat any purchase of additional shares as an indication that you do not want your shares to be sold through the UMP Facility. For a purchase to be an effective notification that you wish to retain your shares, any additional shares must be registered by

5.00pm (AEDT) on 18 December 2020 under the same name and address and with the same holder number (SRN or HIN) as set out in this letter.

**Where can I get further information concerning the UMP Facility?**

If you have any questions regarding how the UMP Facility works, or you have a number of holdings that you wish to consolidate, please contact me on + 61 437 376 171.

**Important Notes**

The UMP Facility has been established in accordance with the Company's Constitution and ASX Listing Rules.

Neither Kazia nor any other person involved in the UMP Facility will be liable for failure to sell the shares or sell them at a particular price. The price of KZA shares is subject to change and an up-to-date price can be obtained from the ASX website ([www.asx.com.au](http://www.asx.com.au)) under the code "KZA".

Neither Kazia or Computershare makes any recommendation or gives any advice to you regarding whether to retain your shares or permit them to be sold under the UMP Facility. If you are in any doubt about whether to retain your shares or permit them to be sold, please consult your financial adviser.

Yours sincerely

A handwritten signature in black ink that reads "Kate Hill". The signature is written in a cursive, slightly slanted style.

Kate Hill  
Company Secretary