

ASX RELEASE
13 October 2023

SHAREHOLDER COMMUNICATION ON THE DE-LISTING PROCESS

Sydney, 13 October 2023 – Kazia Therapeutics Limited (**Kazia** or the **Company**) NASDAQ: KZIA; ASX: KZA), an oncology-focused drug development company, refers to its Announcement released to the ASX on 11 October 2023 titled “Kazia announces voluntary delisting from ASX”.

In accordance with ASX Listing Rule 3.17, please find attached copies of the following documents being sent to Shareholders today:

- A letter giving information about the de-listing process and the options available to Shareholders; and
- An ADS Conversion Facility Election Form.

Updated Timetable

The Company also advises that an updated timetable for the de-listing is set out below:

Event	Indicative Date*
Notification of intention to delist	11 October 2023
Despatch of letters and ADS Conversion Facility election forms to shareholders	13 October 2023
Closing Date: Participation in ADS Conversion Facility	13 November 2023
Last day for trading of the Company's Shares on ASX	13 November 2023
Completion of removal of the Company from the Official List of the ASX	15 November 2023

*Dates and times are indicative only and subject to change by the Company or ASX.

This announcement was authorised for release by the Company Secretary.

Enquiries:

cosec@companymatters.com.au

Board of Directors

Dr John Friend Interim Executive Chair and Chief Executive Officer

Mr Bryce Carmine Non-Executive Director

Mr Steven Coffey Non-Executive Director

Ms Ebru Davidson Non-Executive Director

About Kazia Therapeutics Limited

Kazia Therapeutics Limited (NASDAQ: KZIA; ASX: KZA) is an oncology-focused drug development company, based in Sydney, Australia.

Our lead program is paxalisib, a brain-penetrant inhibitor of the PI3K / Akt / mTOR pathway, which is being developed to treat multiple forms of brain cancer. Licensed from Genentech in late 2016, paxalisib is or has been the subject of ten clinical trials in this disease. A completed Phase II study in glioblastoma reported promising signals of clinical activity in 2021, and a pivotal study in glioblastoma, GBMAGILE, is ongoing, with final data expected in CY2023. Other clinical trials are ongoing in brain metastases, diffuse midline gliomas, and primary CNS lymphoma, with several of these having reported encouraging interim data.

Paxalisib was granted Orphan Drug Designation for glioblastoma by the US FDA in February 2018, and Fast Track Designation for glioblastoma by the FDA in August 2020. Paxalisib was also awarded Fast Track Designation (FTD) in July 2023 for the treatment of solid tumor brain metastases harboring PI3K pathway mutations in combination with radiation therapy. In addition, paxalisib was granted Rare Pediatric Disease Designation and Orphan Drug Designation by the FDA for diffuse intrinsic pontine glioma in August 2020, and for atypical teratoid / rhabdoid tumours (AT/RT) in June 2022 and July 2022, respectively.

Kazia is also developing EVT801, a small-molecule inhibitor of VEGFR3, which was licensed from Evotec SE in April 2021. Preclinical data has shown EVT801 to be active against a broad range of tumour types and has provided compelling evidence of synergy with immuno-oncology agents. A Phase I study commenced recruitment in November 2021.

For more information, please visit www.kaziatherapeutics.com or follow us on Twitter @KaziaTx.

Forward-Looking Statements

This announcement may contain forward-looking statements, which can generally be identified as such by the use of words such as “may,” “will,” “estimate,” “future,” “forward,” “anticipate,” or others similar words. Any statement describing Kazia's future plans, strategies, intentions, expectations, objectives, goals or prospects, and other statements that are not historical facts, are also forward-looking statements, including, but not limited to, statements regarding: the timing for results and data related to Kazia's clinical and preclinical trials, and Kazia's strategy and plans with respect to its programs, including paxalisib and EVT801. Such statements are based on Kazia's current expectations and projections about future events and future trends affecting its business and are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements, including risks and uncertainties: associated with clinical and preclinical trials and product development, related to regulatory approvals, related to Kazia's executive leadership changes, and related to the impact of global economic conditions.. These and other risks and uncertainties are described more fully in Kazia's Annual Report, filed on form 20-F with the SEC, and in subsequent filings with the United States Securities and Exchange Commission. Kazia undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required under applicable law. You should not place undue reliance on these forward-looking statements, which apply only as of the date of this announcement.

13 October 2023

KZA
MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001



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Dear Shareholder

Kazia Therapeutics Limited (ASX:KZA, NASDAQ:KZIA) – Voluntary delisting from the ASX

Kazia Therapeutics Limited (ASX:KZA, NASDAQ:KZIA) (**Kazia** or the **Company**) has requested and received formal approval from the Australian Securities Exchange (**ASX**) to be removed from the official list of the ASX (**Official List**) pursuant to ASX Listing Rule 17.11 (**Delisting**).

This letter seeks to provide you, as a holder of fully paid ordinary shares in the capital of the Company (**Shares**), with information about the Delisting process, the options available to you in connection with your Shares and certain implications which may arise for you as a result of the Delisting. Full details regarding the options available to you in respect of your Shares are set out in Section 5.

The information in this letter does not take into account your individual investment objectives, financial situation and needs. The information in this letter is of a general nature and is not financial product advice and should not be relied upon as the sole basis for any investment decision. As a holder of Shares (**Shareholder**), you should consult your financial, legal, tax or other professional advisor in relation to the information contained in this letter and how you should act with respect to your Shares.

1. Why is Kazia delisting from the ASX?

The Board has ultimately determined that the costs, administrative burden and commercial disadvantages of remaining listed on ASX outweigh any benefits of a continued ASX listing. The Board considers that the Delisting is in the best interests of the Company and Shareholders for the following reasons.

- (a) **Costs:** The continued listing of Kazia on ASX requires it to incur considerable corporate and administrative costs, including listing fees. Kazia is seeking to minimise its expenditure and would cease incurring such additional costs if it is removed from the Official List. The Company considers the financial, administrative and compliance obligations and costs associated with managing an ASX listing and a NASDAQ listing, including the higher level of regulatory compliance costs associated with a dual listing, noting that there are a number of material differences between the NASDAQ listing rules and the ASX listing rules, unjustifiable and not in the best interests of the Company's securityholders.
- (b) **Access to larger equity markets with biotechnology focus:** The Board believes that Delisting from ASX whilst retaining the NASDAQ listing will enable Kazia to have access to a deeper market that better understands, and values, biotechnology businesses, thereby allowing it to more readily raise more capital on better terms, from a wider investor base. This access is pivotal in assisting Kazia to raise appropriate growth capital to pursue its plans.

- (c) Capital raisings: The Delisting from ASX and retention of a primary listing on NASDAQ is expected to improve the Company's access to its institutional investor base and other financing options in the USA that currently has the most active biotechnology ecosystem on a global basis. Being dual listed on ASX and NASDAQ is currently limiting fundraising options for Kazia.
- (d) Location of directors and management: With the exception of two non-executive directors, the Company's remaining non-executive board member, Karen Krumeich, the Company's Chief Financial Officer and Dr John Friend, the Company's CEO, Managing Director and Interim Chairman, are now based in the USA, reflecting the Company's focus on international rather than domestic markets.

2. What are the consequences of Delisting?

The main consequence of Delisting for Shareholders is that, from the time the Delisting takes effect on 15 November 2023 (Delisting Date), Kazia's Shares will no longer be quoted or traded on the ASX. Therefore, Shareholders who wish to sell their Shares on the ASX will need to do so before the Delisting Date.

Shareholders who retain their Shares after the Delisting Date will each be issued a share certificate which will be proof of ownership of their Shares and should be held in safe-keeping by the Shareholder. Shareholders who wish to sell their Shares after the Delisting Date must either:

- (a) convert their Shares to American Depositary Shares (ADSs) and sell their ADSs on NASDAQ by setting up an account with a US Broker, either by a direct engagement or through an Australian broker who has an agreement with a US broker that is able to buy or sell ADSs on NASDAQ; or
- (b) sell their Shares via off-market private transactions (subject to compliance with the *Corporations Act 2001* (Cth)).

Following the Delisting, Kazia will remain an Australian incorporated company and will maintain its listing of ADSs on NASDAQ. Trading of ADSs on NASDAQ will continue, uninterrupted, during and after the Delisting.

Copies of Kazia's press releases and other corporate information will continue to be available on the US Securities and Exchange Commission's (SEC) website (www.sec.gov) as well as the Company's website at <https://www.kaziatherapeutics.com/>.

3. What are ADSs?

Each ADS represents the right to receive, and to exercise the beneficial ownership interests in, 10 Shares that are on deposit with HSBC Custody Nominees (Australia) Limited (Custodian), the custodian appointed by the Depository. The Depository will be (directly or indirectly through the Custodian) the holder of the Shares underlying the ADSs.

Holders of ADSs do not have direct Shareholder rights. The Depository holds, on the ADS holder's behalf, the rights attaching to the Shares underlying your ADSs. Holders of ADSs are able to exercise the rights attaching to the Shares represented by the ADSs through the Depository to the extent contemplated in the deposit agreement (Deposit Agreement), a copy of which is available from the SEC's website (www.sec.gov). To exercise any rights attaching to Shares which are not contemplated under the Deposit Agreement, holders of ADSs will need to arrange for the cancellation of their ADSs so that they can become a direct Shareholder.

Shares represented by ADSs are treated as held under a bare trust for such holder. Consequently, the Shares will be regarded as owned by the ADS holder for Australian income tax and capital gains tax purposes. Dividends paid on the underlying Shares will also be treated as dividends paid to the ADS holder, as the person beneficially entitled to those dividends.

4. What is the Delisting process and timetable?

(a) Delisting process

Shareholders will continue to be able to trade their Shares on the ASX until the close of trading on 13 November 2023 (Suspension Date), when trading in Shares will be suspended. Following suspension of Shares from quotation, Shareholders will no longer be able to trade their Shares on the ASX. It is expected that two business days following the suspension of trading of Shares, Kazia will be removed from the Official List.

Shareholders who retain their Shares after the Delisting Date will be issued share certificates, which will be proof of ownership of their Shares and should be held in safe-keeping by the Shareholder.

(b) ADS Conversion Facility

The Company has established a facility pursuant to which Shareholders may elect to convert, prior to the Delisting, all of their Shares to ADS (ADS Conversion Facility), unless they are a custodian or nominee holding Shares on behalf of multiple holders in which case partial elections will be permitted. If the number of Shares held by a Shareholder is such that the aggregate entitlement of the Shareholder includes a fractional entitlement to an ADS, then the entitlement of that Shareholder will be rounded down to the nearest whole number of ADSs and the Shareholder will retain the remaining Shares held which are not converted to ADSs.

The ADS conversion fee will be waived during the time-limited period in which the ADS Conversion Facility will be active.

See section 5 below for details on how to participate, prior to the Delisting, in the ADS Conversion Facility.

(c) Indicative dates for the Delisting process

The table below sets out an indicative timeline for the Delisting process.

Event	Indicative Date*
Notification of intention to delist	11 October 2023
Despatch of letters and ADS Conversion Facility election forms to shareholders (in relation to the ADS Conversion Facility)	13 October 2023
Closing Date: Participation in ADS Conversion Facility	13 November 2023
Last day for trading of the Company's Shares on ASX	13 November 2023
Completion of removal of the Company from the Official List of the ASX	15 November 2023

*All dates and times in this letter refer to those in Sydney, Australia. These dates and times are indicative only and subject to change. Kazia will announce any amendment to those dates and times.

5. What are my options?

As a holder of Shares, you have the following options in respect of the Delisting, which you should carefully consider before deciding what to do with your Shares. If you do nothing, then Option 3 will apply by default.

OPTION 1: Sell your Shares on ASX on or before the Suspension Date

You can sell your Shares on the ASX at any time prior to the close of trading on the Suspension Date, which is currently expected to be 13 November 2023. You should contact your stockbroker or financial advisor to arrange the sale.

After the Suspension Date, you will not be able to sell your Shares on the ASX.

If you elect to sell your Shares on the ASX prior to the Suspension Date, you will be responsible for all costs associated with the sale, including any broker commission.

OPTION 2: Convert your Shares to ADSs

You can elect to participate in the ADS Conversion Facility and convert all of your Shares into ADSs on a 10:1 basis, unless you are a custodian or nominee holding Shares on behalf of multiple holders in which case partial elections will be permitted, to be held directly in uncertificated form in the Direct Registration System (DRS) on the American Depositary Receipt (ADR) register of the Depositary.

If the number of Shares held by a Shareholder is such that the aggregate entitlement of the Shareholder includes a fractional entitlement to an ADS, then the entitlement of that Shareholder will be rounded down to the nearest whole number of ADSs and the Shareholder will retain the remaining Shares held which are not converted to ADSs (Remaining Shares).

Shareholders will be waived from the conversion fee if they convert their Shares into ADSs by participating in the ADS Conversion Facility no later than the Suspension Date.

Shareholders who would like to participate in the ADS Conversion Facility should complete an ADS Conversion Facility election form (Conversion Form) and return it to the Company's Australian Share Registry, Computershare Investor Services Pty Limited (Computershare), by no later than the Suspension Date.

If you return your Conversion Form after the Suspension Date, you will not be able to participate in the ADS Conversion Facility.

If you elect to convert your Shares into ADSs, you may then choose to hold those ADSs or sell them on the NASDAQ at a later time through a US broker or an Australian broker who has an agreement with a US broker that is able to buy or sell ADSs on NASDAQ (subject to compliance with NASDAQ trading requirements).

If you elect to participate in the ADS Conversion Facility and then subsequently sell your ADSs on NASDAQ, any costs incurred in connection with the sale will be borne by you.

If you do not elect to participate in the ADS Conversion Facility, you can elect, either prior to the Delisting or after, to convert your Shares to ADSs. In such a case, all related costs will be borne by you. In order to do this, you need to engage a US broker or an Australian broker who has an agreement with a US broker that is able to buy or sell ADSs on Nasdaq.

OPTION 3: Take no action by the Suspension Date

If you take no action by the Suspension Date (i.e. you do not proceed with Option 1 or Option 2 above), you will retain your Shares but they will no longer be quoted, or able to be traded on the ASX and your Shareholding will become a certificated holding.

If you take no action, a share certificate will be issued for your Shares and be sent to you by post within approximately 10 business days of the Delisting Date. This must be kept in a safe place as it is proof of ownership of Shares in the Company.

6. Risks

There are risks associated with participating in the ADS Conversion Facility and holding ADSs. If you elect to participate in the ADS Conversion Facility you will be issued ADSs and be subject to the rights and obligations of an ADS holder. Therefore, the Company strongly encourages you to read the section of the Company's Form F-3 Registration Statement, which includes a summary description of the material terms of the ADSs and of the material rights of owners of ADSs. A copy of the Company's Form F-3 Registration Statement is available on the US Securities and Exchange Commission's (SEC) website (www.sec.gov) as well as the Company's website at <https://www.kaziatherapeutics.com/>.

7. Restrictions on certain Shareholders

Notwithstanding anything in this letter to the contrary, Shareholders who either:

- (a) are, or have been during the three months prior to completion of the Conversion Form, as applicable, an officer or director of the Company, a beneficial owner of Shares representing 10% or more of the voting power of the capital stock of the Company or an "affiliate" of the Company within the meaning of Rule 144 under the US Securities Act of 1933, as amended (Securities Act) (each, an Affiliate); or
 - (b) or were issued or acquired Shares from the Company or an Affiliate in transactions other than a public registered offering within a year prior to the completion of the Conversion Form,
- and obtain ADSs as a result of participating in the ADS Conversion Facility will be subject to certain resale restrictions pursuant to the Securities Act.

8. Tax implications

This discussion does not address any tax or duty consequences other than Australian income tax consequences to Shareholders that are Australian tax residents from participation in the ADS Conversion Facility.

This discussion does not address any Australian tax consequences for persons that are not Australian residents for tax purposes nor does it address any US state or local tax consequences or any US federal income tax consequences. Shareholders should consult their tax advisors regarding any income or other tax consequences which may result from participation in the ADS Conversion Facility.

Australian income tax consequences

The following is a general description of the Australian income tax consequences for Shareholders who are individuals, complying superannuation funds or private companies and are Australian tax residents, which result from participation in the ADS Conversion Facility. It is not intended to be a comprehensive statement of the Australian income tax consequences of participating in the ADS Conversion Facility.

The general description below only applies to Shareholders who hold their Shares on capital account for Australian income tax purposes and are an Australian resident for tax purposes. In particular, it does not apply to:

- (a) Shareholders who buy and sell shares in the ordinary course of business (i.e. Shareholders who hold their Shares on revenue account);
- (b) Shareholders who hold their Shares as trading stock for Australian income tax purposes; or
- (c) Shareholders that are subject to the taxation of financial arrangements rules in Division 230 of the *Income Tax Assessment Act 1997* (Cth) in relation to gains and losses on their Shares.¹

¹ Division 230 will generally not apply to individuals, unless they have made an election for it to apply to them.

The information is based upon Australian taxation law and practice in effect at the date of this letter.

The Company strongly encourages Shareholders to obtain their own tax advice based on the Shareholder's particular circumstances before deciding which option to select. The general description of the Australian income tax consequences for Shareholders does not purport to provide Shareholders with any tax advice.

Participation in the ADS Conversion Facility

It is not anticipated the Shareholders will make a capital gain or capital loss as a result of participating in the ADS Conversion Facility. This is on the basis the Shareholders will continue to be the beneficial owners of the Shares as the ADS Conversion Facility is a bare trust arrangement.

A Shareholder's cost base or reduced cost base in the ADSs they receive as a consequence of participating in the ADS Conversion Facility should be equal to the cost base or reduced cost base of the Shareholder's Shares at the time of the conversion of the Shares into ADSs.

9. Further information

If you have a question in relation to the Delisting or any information set out in this letter please contact your tax advisor or Anna Sandham, Corporate Secretary at cosec@companymatters.com.au.

Yours sincerely,

Dr. John Friend
Interim Chairman and Chief Executive Officer

Return your Form:



By Email:

corpactprocessing@computershare.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne, Victoria 3001
Australia

For all enquiries:

Corporate Secretary : Anna Sandham
Email: cosec@company matters.com.au

KZA

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

ADS Conversion Facility Election Form

 **Your completed Conversion Form must be received by 5.00pm (AEDT) on 13 November 2023 to be effective.**

This is an important document that requires your immediate attention. You should read the shareholder communication dated 13 October 2023 in relation to the proposed delisting of Kazia Therapeutics Limited (**Kazia**) and the ADS Conversion Facility. Terms defined in the shareholder communication have the same meaning in this Conversion Form (unless the context otherwise requires). If you need any assistance in deciding whether to complete this Conversion Form, please contact your investment, financial, taxation or other professional adviser without delay.

You can elect to participate in the ADS Conversion Facility and convert all of your Shares into American Depositary Shares (**ADS**) on a 10:1 basis, unless you are a custodian or nominee holding Shares on behalf of multiple holders in which case partial elections will be permitted, to be held directly in uncertificated form in the Direct Registration System (**DRS**) on the American Depositary Receipt (**ADR**) register of the Depository.

If the number of Shares held by a Shareholder is such that the aggregate entitlement of the Shareholder includes a fractional entitlement to an ADS, then the entitlement of that Shareholder will be rounded down to the nearest whole number of ADSs and the Shareholder will retain the Remaining Shares.

Shareholders will not be charged any fees by Kazia if they convert their Shares into ADSs by participating in the ADS Conversion Facility by the Suspension Date.

If Shareholders return their Conversion Form after the Suspension Date, they will not be able to participate in the ADS Conversion Facility.

Signing Instructions

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 must sign.

Power of Attorney: If you have not already lodged the Power of Attorney to be used to execute this Conversion Form with the share registry, please attach a certified photocopy of the Power of Attorney to this Conversion Form when you return it.

Companies: Where the company has a sole director who is also the sole company secretary, this Conversion Form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise this Conversion Form must be signed by a director jointly with either another director or a company secretary. Please sign in the appropriate place to indicate the office held. Where this form is signed by a duly authorised person or persons of a company, such authorisation must have been sighted at the share registry. Delete or replace titles as applicable.

Overseas Companies: Where the holding is in the name of an overseas company (companies incorporated outside Australia) this Conversion Form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: All executors must sign and a certified copy of Probate or Letters of Administration must accompany this Conversion Form.

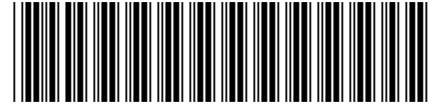
Contact Details: Entering contact details is not compulsory, but will assist us if we need to contact you.

Nominees and Custodians:

Complete the relevant section overleaf.

Turn over to complete the form →


ADS Conversion Facility Election Form



Registration Details

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

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 For your security keep your SRN/
HIN confidential.

IMPORTANT INFORMATION

- If the number of Shares held by a Shareholder is such that the aggregate entitlement of the Shareholder includes a fractional entitlement to an ADS, then the entitlement of that Shareholder will be rounded down to the nearest whole number of ADSs and the Shareholder will retain the Remaining Shares.
- This Conversion Form is for all of your Shares. The Shares that this Conversion Form relates to, must be free and clear of all liens, charges, security interests, claims and encumbrances.
- You should allow sufficient time for your Conversion Form to be received prior to the Suspension Date.
- Neither Kazia nor the share registry accept any responsibility for rejection due to an incomplete or invalid Conversion Form being provided.

Signature of Shareholder(s) *This section must be completed.*

By signing and returning this Conversion Form:

- I/We elect to convert all my/our Shares to ADSs listed on the NASDAQ; and
- I/We have made this election in respect of all my/our Shares and hereby agree to the terms and conditions as set out in the shareholder communication dated 13 October 2023.
- I/We am not, and have not been during the three months prior to the date hereof, an officer or director of Kazia, a beneficial owner of shares representing 10% or more of the voting power of the capital stock of Kazia or an "affiliate" of Kazia within the meaning of Rule 144 under the U.S. Securities Act of 1933, as amended (the Securities Act).
- Either (i) the Shares were issued, acquired by me/us from Kazia (or an affiliate of Kazia) and fully paid in transactions that involved a public offering (within the meaning of Rule 144 under the Securities Act) or (ii) more than one year has elapsed since the Shares were issued, acquired by me/us from Kazia (or an affiliate of Kazia) and fully paid for in transactions that did not involve a public offering (within the meaning of Rule 144 under the Securities Act).

Individual or Shareholder 1

**Sole Director and Sole Company
Secretary/Sole Director
(cross out titles as applicable)**

Contact
Name _____

Email
Address _____

Shareholder 2

Director

Contact
Daytime
Telephone _____

Shareholder 3

**Director/Company Secretary
(cross out titles as applicable)**

Date ____/____/____

Nominees and Custodians only

If you are a nominee or custodian acting on behalf of beneficial owners who want to convert their Shares, please provide details of the aggregate number of Shares you elect to be converted for those beneficial owners in the box below.

Shares to be converted:

By signing and returning this form, I/We confirm that I/We are a nominee or custodian.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS) for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by Bionomics Limited. You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to Bionomics Limited or to third parties upon direction by Bionomics Limited where related to the administration of your securityholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>