

Kazia Therapeutics Ltd

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Kazia Therapeutics raises \$7.2 million in placement supported by high-quality new and existing institutional investors

Kazia Therapeutics Ltd (ASX:KZN) has completed a placement primarily to sector-specialist institutional investors in Australia and internationally at a price of 40 cents per share to raise around \$7.2 million.

The placement has been led by high-quality new and existing institutional investors encouraged by strongly positive emerging data from paxalisib phase II clinical trial in glioblastoma

Additionally, Kazia will launch a share purchase plan (SPP) to allow eligible existing shareholders the opportunity to acquire new shares at the same price as the placement.

The SPP will be open on April 20 and necessary documentation will be distributed to eligible shareholders.

Strengthened balance sheet

Chairman Iain Ross said: "Kazia has taken prudent steps to strengthen its balance sheet so that we are well-placed to weather any economic impacts of the ongoing COVID-19 outbreak.

"Our priority is to maintain momentum in the paxalisib clinical trial program, which has been generating increasingly exciting data.

"The funds we have raised ensure that we can continue the important ongoing set-up work for our participation in GBM AGILE, our planned pivotal study for registration of paxalisib and move our other studies forward as they generate further data during CY2020.

"We have been grateful for the strong support of several existing investors and are delighted to welcome several new investors to the company."

Taking advantage of "future upside"

Ross added: "The board has always taken a strong position that, where possible, existing investors should have access to the same opportunities as new institutional investors.

"To that end, we have today launched a Share Purchase Plan, which provides the ability for existing investors to strengthen their positions at the same price as today's placement and thereby to take advantage of future upside in the company.

"Each of the directors has indicated their intention to participate in the SPP.

"Any funds raised from the SPP will allow the company to accelerate and enrich the work it is doing.

Price: 0.86

Market Cap: \$99.03 m

1 Year Share Price Graph



October 2019 April 2020 October 2020

Share Information

Code: KZA

Listing: ASX

52 week High Low
1.18354 0.354583

Sector: Pharma & Biotech

Website: www.kaziatherapeutics.com

Company Synopsis:

Kazia Therapeutics (ASX: KZA, NASDAQ: KZIA) pipeline includes two clinical-stage drug development candidates.

action@proactiveinvestors.com

"Our last SPP made possible several of the additional exploratory studies in other forms of brain cancer that are now underway."

The placement follows recent interim data from the ongoing, US-based phase II study of paxalisib in glioblastoma.

In the most recent data, patients treated with paxalisib achieved a median overall survival (OS) of 17.7 months.

This compares very favourably to the published figure of 12.7 months that is reported for temozolomide, the existing, FDA-approved standard of care treatment for newly diagnosed patients.

Institutional placement

Under the terms of the placement, around 18 million new shares have been allocated to institutional, professional, and sophisticated investors at a price of 40 cents per share, representing a 2.6% discount to the 5-day VWAP of A41.1 cents and an 8.4% discount to the 15-day VWAP of 43.67 cents.

The shares will be issued out of the company's existing 25% discretionary placement capacity in accordance with ASX Listing Rule 7.1, relying on recent amendments to ASX Listing Rule 7.1 announced by the ASX on March 31.

Settlement and issuance of shares is expected to occur on April 16, with quotation expected on April 17.

SPP

Under the SPP, eligible shareholders of ASX securities listed on the Kazia register at 7:00pm (Sydney time) on the record date of Tuesday, April 7, will be offered the opportunity to apply for up to \$30,000 shares in Kazia without incurring brokerage or other transaction costs, subject to a minimum application of \$3,000.

This will be subject to certain eligibility criteria and other terms and conditions of the SPP which will be set out in the SPP booklet and dispatched to eligible shareholders.

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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