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July 6, 2021

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Kintara Therapeutics, Inc. (KTRA - NASDAQ)

Phase II Topline

Based on our DCF model and a 15% discount rate, Kintara Therapeutics is valued at approximately $5.25 per share. Our model applies a 60% probability for VAL-083 in unmethylated GBM, a 50% probability in methylated GBM and a 50% probability of approval and commercialization in REM-001 for CMBC. The model includes contributions from the United States and Europe. Other regions will be included upon further clarity.

Current Price (7/2/21)	$1.93
Valuation	**$5.25**

OUTLOOK

Kintara Therapeutics is an oncology-focused R&D company pursuing an indication in GBM with VAL-083 & CMBC with REM-001. The two products were recently joined in a merger by sponsors DelMar Pharmaceuticals and Adgero Biopharmaceuticals.

VAL-083's profile is well-known as it has been assessed in 40+ Ph1 & Ph2 trials sponsored by the NCI. VAL-083 is approved in China for CML and lung cancer and is being investigated in two Ph2 GBM trials in the US and China sponsored by Kintara.

The GCAR is underway and should yield Ph3 topline results in 2023. Working within the GCAR AGILE study framework is anticipated to accelerate results in recurrent and newly diagnosed methylated and unmethylated patients while limiting total cost.

REM-001 is expected to start a confirmatory trial in 2021 which will subsequently move into a 100-patient Ph3 trial. Trial completion expected by the end of 2023 followed by an NDA filing.

Our valuation assumes a 2025 regulatory approval and subsequent large pharma partner deal for commercialization of VAL-083 and a 2024 approval and deal followed by a launch of REM-001.

SUMMARY DATA

52-Week High	**$3.35**
52-Week Low	**$0.62**
One-Year Return (%)	**151**
Beta	**1.45**
Average Daily Volume (sh)	**1,234,287**
Shares Outstanding (mil)	**32.6**
Market Capitalization ($mil)	**$62.9**
Short Interest Ratio (days)	**0.59**
Institutional Ownership (%)	**6.84**
Insider Ownership (%)	**8.30**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2021 Estimate	**N/A**
P/E using 2022 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**Above Average**
Type of Stock	**Small-Growth**
Industry	**Med-Biomed/Gene**

ZACKS ESTIMATES

Revenue
(in millions of $US)

	Q1 (Sep)	Q2 (Dec)	Q3 (Mar)	Q4 (Jun)	Year (Jun)
2020	$0.0 A	$0.0 A	$0.0 A	$0.0 A	$0.0 A
2021	$0.0 A	$0.0 A	$0.0 A	$0.0 E	$0.0 E
2022					$0.0 E
2023					$0.0 E

EPS

	Q1 (Sep)	Q2 (Dec)	Q3 (Mar)	Q4 (Jun)	Year (Jun)
2020	-$0.21 A	-$0.15 A	-$0.17 A	-$0.33 A	-$0.87 A
2021	-$1.33 A	-$0.22 A	-$0.23 A	-$0.15 E	-$1.51 E
2022					-$0.73 E
2023					-$0.48 E

WHAT'S NEW

VAL-083 Phase II Topline Data (MD Anderson) - Recurrent Arm

Kintara Therapeutics, Inc. (NASDAQ: KTRA) provided topline data from its Phase II clinical trial for VAL-083 in a July 1 press release. The data is from the recurrent arm of the open label study which was conducted at the MD Anderson Cancer Center in Houston, Texas.

Median overall survival (mOS) for the 48 efficacy-evaluable patients at the 30 mg/m^2/day dose level was 8.0 months with a 95% confidence interval of 5.9 to 9.9 months. This is a slight increase from the value provided at the prior update of 7.9 months reported in November 2020. While this data will not affect the progress or design of the GCAR GBM AGILE trial, it does demonstrate better survival than the adverse side-effect prone lomustine which has shown a mOS of 7.2 months.[1] For all patients in the trial, including the no longer applied 40 mg/m^2/day dosing, mOS was 7.5 months, matching the number reported last November.

In September, we expect to see data from the MD Anderson newly diagnosed, unmethylated (adjuvant) Phase II study. The last patient in this group was dosed on June 3rd and the topline announcement will be an update from the previous results that were published at the 2020 Society for Neuro-Oncology (SNO) annual meeting last November. However, full attention is on the GCAR AGILE trial which is now enrolling the lead-in portion of the pivotal study.

MD Anderson Trials

In the prior update to the VAL-083 Phase II recurrent arm trial, Kintara issued a press release informing stakeholders that the final patient in the recurrent arm of the ongoing Phase II study of VAL-083 had been enrolled. The Phase II trial is an open-label, two-arm, biomarker-driven study evaluating VAL-083 in MGMT unmethylated GBM patients, known to be resistant against current standard-of-care chemotherapy. Efficacy endpoints include overall survival and progression-free survival. The recurrent arm of the study is evaluating glioblastoma multiforme (GBM) patients who have been pre-treated with temozolomide (TMZ). The study was designed to enroll up to 83 patients in total. On April 12, 2021, Kintara provided another update for the trial in a poster presentation at the American Association for Cancer Research (AACR) Annual Meeting. The trial enrolled 89 patients into the recurrent arm, with 35 and 54 patients receiving 40 mg/m^2/d and 30 mg/m^2/d dosing, respectively. At that time, mOS for all 83 evaluable patients who had completed at least one cycle of treatment was 7.5 months. For the 48 evaluable patients initially receiving the 30 mg dose, mOS was last reported at 7.9 months (now at 8.0 months).

GCAR AGILE Trial

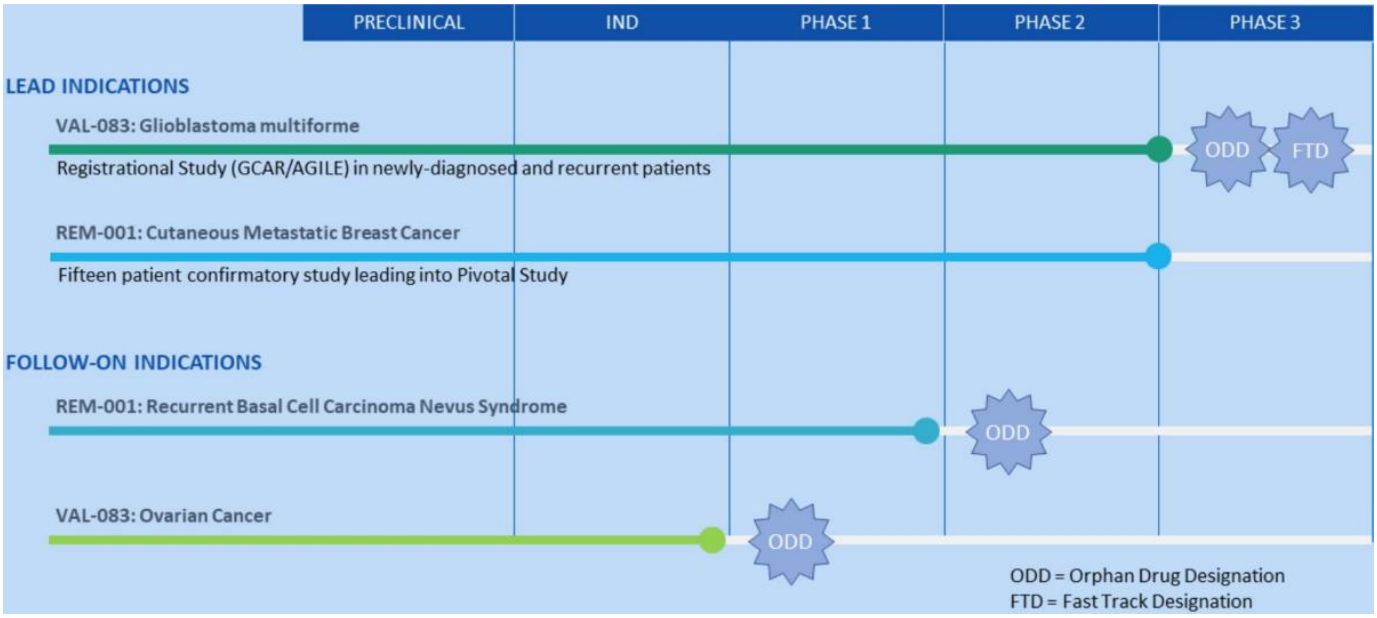
In January 2021, Kintara announced the start of patient recruitment in the Global Coalition for Adaptive Research (GCAR) registrational Phase II/III clinical trial for glioblastoma multiforme (GBM). Kintara's candidate, VAL-083, will be considered in three subpopulations: newly-diagnosed methylated O^6-methylguanine-DNA methyltransferase (MGMT) GBM, newly-diagnosed unmethylated MGMT GBM and recurrent GBM.

In the January press release, Kintara announced that GCAR would be adding an additional active arm to VAL-083's study in newly-diagnosed methylated GBM patients, complementing the existing arms investigating newly-diagnosed unmethylated and recurrent GBM. Methylated GBM patients see some benefit from the current standard-of-care temozolomide (TMZ) and may be better served by VAL-083.

As of May 18th, 2021 GCAR has screened over 600 patients for the AGILE trial. Based on conversations held between Kintara management and GCAR, it is estimated that the Phase II segment of the adaptive trial will graduate into the Phase III segment in 1H:22.

[1] Wick, W et al (2017) N.Eng.J.Med . 377:1954 1963 ; 6 . NCCN guidelines (CNS cancers, 2017); 7. Tanguturi SK, et al. NeuroOncol.19(7):908 917 (2017). EORTC 26101, for patients with recurrent MGMT unmethylated GBM treated with lomustine alone.

Exhibit I – Kintara Pipeline[2]



Summary

Even though the results from the two MD Anderson Phase II GBM trials will not affect the design or progress of the GCAR AGILE study, data is still being produced. In the latest update, mOS improved slightly to 8.0 months. With a better side effect profile and longer OS, VAL-083 may supplant lomustine, assuming the previously established trend holds and regulatory approval is granted. Kintara's VAL-083 candidate is poised to make a material impact in treatment resistant GBM patients, a population that represents more than half of the total GBM population. VAL-083 may also acquire market share in the MGMT-methylated population as well, although its efficacy in this sub-population is only now being evaluated in the GCAR AGILE trial. Kintara offers exposure to two large oncology markets and is developing two assets primed to enter pivotal studies. With a wealth of data available for VAL-083 and an unmet need in CMBC, we see Kintara as diversified and undervalued. We maintain our target price of $5.25 per share.

[2] Source: Kintara May 2021 Corporate Presentation

PROJECTED FINANCIALS

Kintara Therapeutics, Inc. - Income Statement[3]

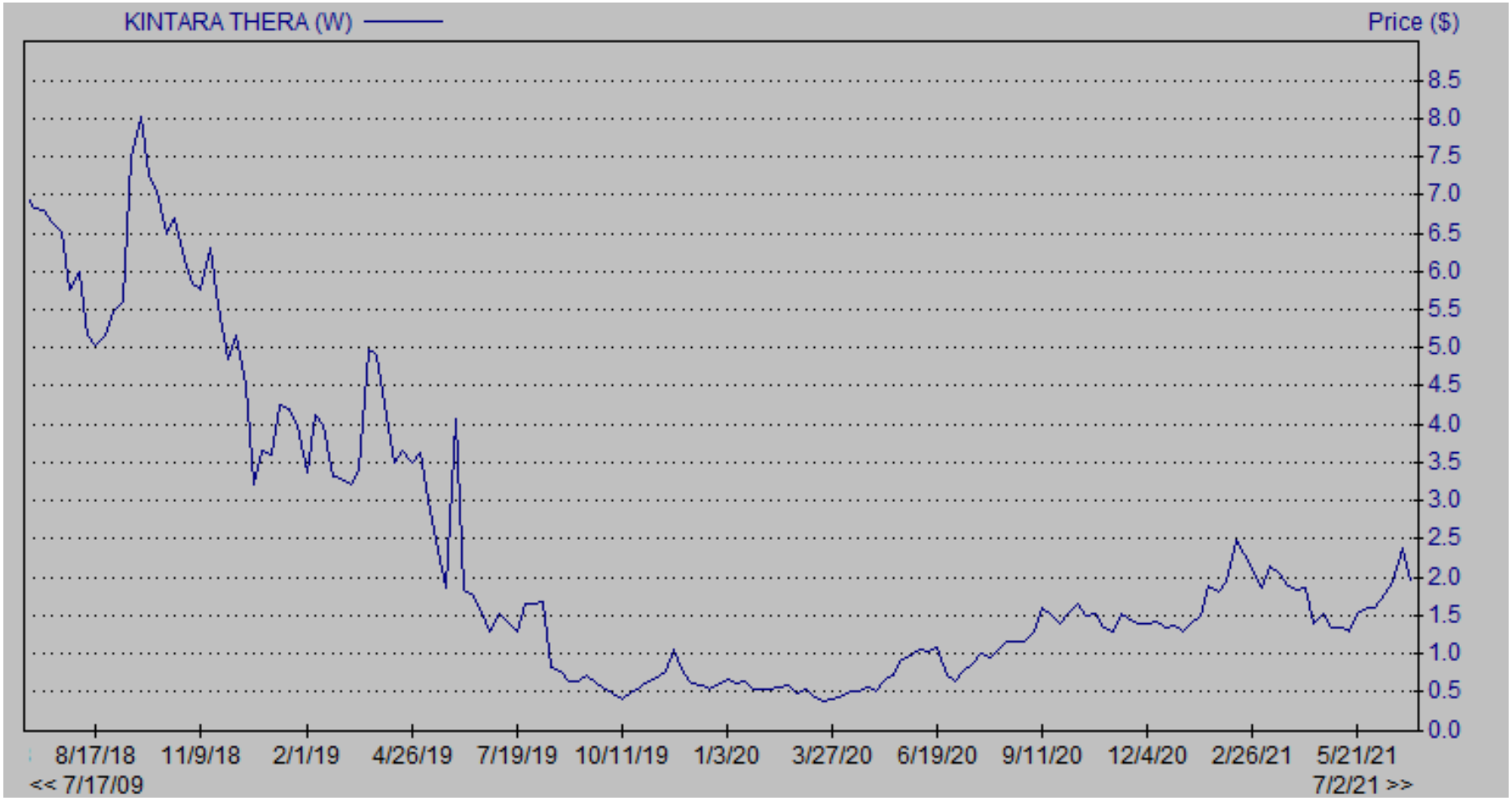
Kintara Therapeutics, Inc.	2020 E	Q1 A	Q2 A	Q3 A	Q4 E	2021 E	2022 E	2023 E
Total Revenues ($US)	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Research & Development	$3,630	$1,357	$2,584	$3,843	$4,000	$11,784	$24,450	$23,200
General & Administrative	$4,515	$1,534	$2,794	$2,762	$1,355	$8,445	$8,570	$4,500
Income from operations	($8,145)	($2,891)	($5,378)	($6,605)	($5,355)	($20,229)	($33,020)	($27,700)
Change in Fair Value of Derivative	$0	$0	$0	$0	$0	$0	$0	$0
Foreign Exchange Loss	$3	$0	$3	$1	$0	$4	$0	$0
Interest Income	($75)	$7	$7	$6	($4)	$16	($20)	($20)
Other Items	$1,054	$16,620	$25	$23	$0	$16,668	$0	$0
Preferred Stock Dividend	$9	$3,188	$0	$8	$0	$3,196	$0	$0
Pre-Tax Income	($9,135)	($22,706)	($5,413)	($6,643)	($5,351)	($40,113)	($33,000)	($27,680)
Provision for Income Tax	$0	$0	$0	$0	$0	$0	$0	$0
Net Income	**($9,135)**	**($22,706)**	**($5,413)**	**($6,643)**	**($5,351)**	**($40,113)**	**($33,000)**	**($27,680)**
Reported EPS	**($0.87)**	**($1.33)**	**($0.22)**	**($0.23)**	**($0.15)**	**($1.51)**	**($0.73)**	**($0.48)**
YOY Growth	*-72%*	*522.3%*	*42.6%*	*32.3%*	*-54.3%*	*73%*	*-51%*	*-35%*
Basic Shares Outstanding	10,444	17,106	24,845	29,273	35,000	26,556	45,000	58,000

Source: Company Filing // Zacks Investment Research, Inc. Estimates

[3] Financial statement information presents data as originally reported.

HISTORICAL STOCK PRICE

Kintara Therapeutics, Inc. – Share Price Chart[4]



[4] Source: Zacks Research System

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