allarity™ THERAPEUTICS

INVITATION TO SUBSCRIBE FOR SHARES IN ALLARITY THERAPEUTICS

PERSONALIZED CANCER CARE. *REALIZED*

"Allarity is now at a stage where we are fully focused on delivering clinical and commercial progress of our three high-priority projects, and the potential value inflection points for all of these projects may soon start to appear on our horizon. This situation creates the right moment for our Company to present a highly competitive investment case to both our current and new shareholders."

Steve Carchedi, CEO of Allarity Therapeutics

About Allarity Therapeutics - Personalized Cancer Care. *Realized*.

Allarity Therapeutics (Nasdaq First North Growth Market Stockholm: ALLR.ST) develops drugs for personalized treatment of cancer guided by its proprietary drug response predictor technology, the DRP® platform. Allarity has in-licensed a total of six drug candidates to its portfolio. Three of these now constitute the Company's high-priority programs, namely dovitinib, stenoparib, and IXEMPRA®.

All of these three drug candidates have previously been developed by global big pharmaceutical companies: Novartis, Eisai, and Bristol Myers Squibb. Generally speaking, after acquiring rights to a new drug candidate, Allarity tailors the renewed clinical development of the drug to those patients who are expected to benefit most. Such a patient population is identified by Allarity's DRP® companion diagnostic for that drug.

About the Drug Response Predictor (DRP®) Companion Diagnostic

Allarity uses its drug specific DRP® to select those patients who, by the genetic signature of their cancer, are found to have a high likelihood of responding to the specific drug.

By screening patients before treatment, the response rate can be significantly increased. The DRP® method builds on the comparison of sensitive vs. resistant human cancer cell lines, including genomic information from cell lines combined with clinical tumor biology and prior clinical trial outcomes. DRP® is based on messenger RNA from the patient's biopsies. DRP® has proven its ability to provide a statistically significant prediction of the clinical outcome from drug treatment in cancer patients in nearly 40 clinical studies that were examined. The hihly-validated DRP® platform can be used in all cancer types and is patented for more than 70 anti-cancer drugs

MARKET AND PIPELINE

The oncology market accounted for more than USD 140 billion in branded pharmaceutical sales in 2019. At approximately 20% of global pharmaceutical sales, this makes cancer by far the largest pharmaceutical segment (*1.*).

Each of Allarity Therapeutics' three priority drug programs, dovitinib, stenoparib, and IXEMPRA®, together with their DRP® companion diagnostics, address significant unmet needs in the oncology market.

DOVITNINIB
...is a small molecule, pan-tyrosine kinase inhibitor (TKI) licensed from Novartis, and is Allarity's most advanced clinical asset. Allarity plans to file a New Drug Application with the U.S. FDA for the approval of dovitinib for the treatment of Renal Cell Carcinoma ("RCC" or "kidney cancer") during 2021.

Dovitinib addresses a significant unmet need. Annual sales of the current gold standard therapy in RCC, called NEXAVAR®, were approximately USD 715 million in 2018. The global Renal Cell Carcinoma market is projected to grow to USD 6.3 billon 2022.

IXEMPRA®
...is a microtubule inhibitor, and is approved in the U.S. for the treatment of certain types of breast cancer. Allarity is currently enrolling patients in a DRP® guided Phase 2 clinical trialat several trial sites in Europe to evaluate IXEMPRA® for the treatment of metastatic breast cancer. Allarity holds exclusive European rights to IXEMPRA®.

The global breast cancer therapeutics market is projected to grow to USD 25 Billion by 2024. One of the leading drivers of this market growth will be the use of pre-surgery neoadjuvant therapies in the newly diagnosed patient population, a future market expansion opportunity for IXEMPRA®.

STENOPARIB
...is a novel small molecule PARP inhibitor currently being evaluated for the treatment of advanced ovarian cancer in a DRP® guided Phase 2 clinical trial in the U.S.

The Company believes stenoparib has broad potential both as mono-therapy and in combination with immune-oncology drugs and/or chemotherapy. The global PARP inhibitor market is projected to reach USD 9 billion by 2027 in ovarian cancer alone.

OTHER CANCER THERAPIES IN ALLARITY´S PIPELINE
The company holds exclusive, global rights to three additional therapies:

- IROFULVEN: a DNA damaging agent, has previously showed promising clinical efficacy in a number of cancer types.
- LiPlaCis®: a liposomal formulation of cisplatin, licensed to Smerud Medical Research International.
- 2X-111: a liposomal formulation of doxorubicin, licensed to Smerud Medical Research International.

STENOPARIB:
A POSSIBLE CORONAVIRUS TREATMENT

Previous pre-clinical testing has indicated efficacy of stenoparib against SARS-Cov-2, commonly referred to as Coronavirus. On 24 February Allarity announced that the Pathogen and Microbiome Institute at Northern Arizona University, a leading U.S. infectious disease test center, is currently conducting pre-clinical testing of the antiviral activity of stenoparib.

The current testing is focused on Coronavirus Variant B.1.1.7 (the "British variant") and Variant B.1.351 (the "South African variant"). Allarity is opportunistically exploring the potential of stenoparib as an anti-viral against COVID-19, and holds all relevant commercial rights..

(1.) McKinsey and Company: Delivering Innovation: 2020 oncology market outlook. September 9, 2020

The company is leveraging its proprietary, highly accurate Drug Response Predictor (DRP®) technology to refine patient selection and improve clinical outcomes.

		PHASE 1/2	PHASE 2	PHASE 3	PRE-NDA	STATUS/ PARTNER
Dovitinib	Pan-tyrosine kinase inhibitor	Renal Cell Carcinoma				
Stenoparib* (2X-121)	PARP and tankyrase inhibitor	Ovarian Cancer				
IXEMPRA	Microtubulin inhibitor	Metastatic Breast Cancer (EU)				US Approved and out-licensed to Allarity in EU
LiPlaCis	Cisplatin in phospholipase A2 modified liposome	Metastatic Breast Cancer				Partnered with **Smerud Medical Research**
Irofulven	DNA damaging agent	HR Metastatic Prostate Cancer				
2X-111	Doxorubicin in GSH-linked liposome enabling BBB penetration	Primary Brain Cancer (Glioblastoma)				Partnered with **Smerud Medical Research**

Each program will be advanced with a DRP® companion diagnostic to select and treat patients likely to benefit from treatment.

CEO statement

Allarity has a very distinct approach to Personalized Cancer Care: We make no assumptions about what we think is important to a predicting a cancer's response to a given drug. Instead, we let the cancer tell us. We look at the totality of what goes on inside the cancer cells when they are exposed to a drug, and we focus on the therapeutic outcomes. It is known as a "systems biology" approach.

Allarity is unique in leading personalized medicine with this approach. To date, we have prospectively and retrospectively validated our approach, which we have developed into a diagnostic platform technology we call the Drug Response Predictor (DRP®), with data from more than 35 clinical trials for a diverse range of cancer drugs and tumor types. As a result, we frequently see a doubling or tripling of the tumor response rates when we use our DRP® diagnostic to match the drug with the right patients.

"This situation creates the right moment for our Company to present a highly competitive investment case to both our current and new shareholders"

Steve Carchedi, CEO of Allarity Therapeutics

We are not aware of any other technology in the precision oncology space that can boast of a similar level of clinical validation and success in identifying patients most likely to respond to a particular cancer drug.

We are currently applying the DRP® approach to three different cancer drugs in our pipeline. These three drugs are all former Big Pharma assets, and we know from previous clinical trials that they are sufficiently efficacious when they are matched with the right patients.

Allarity is now at a stage where we are fully focused on delivering clinical and commercial progress of our three high-priority projects, and the potential value inflection points for all of these projects may soon start to appear on our horizon, within this year and the next. This situation creates the right moment for our Company to present a highly competitive investment case to both our current and new share-holders.

Use of Proceeds from the Issue

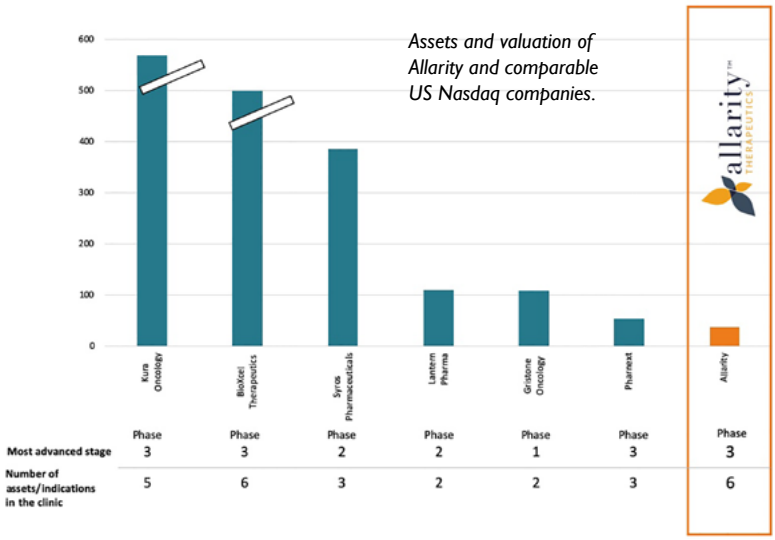
The Rights Issue will enable the further advancement of Allarity's three high-priority programs, IXEMPRA®, dovitinib, and stenoparib, by rendering proceeds of approximately SEK 100 million before transaction costs.

Given the Company's planned roadmap, Allarity expects the net proceeds from the Rights Issue, together with existing liquidity and estimated future cash flows, to be sufficient to fund the company until February 2022 or possibly longer.

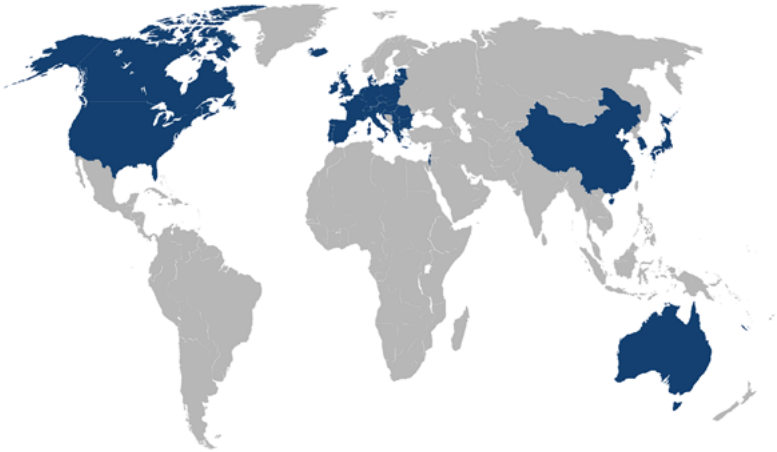
This estimate is based on assumptions about future costs of filing expenses of a New Drug Application with the U.S. FDA for Dovitinib, and of maintaining two Phase 2 clinical trials for Stenoparib and IXEMPRA®.

In the event that all warrants of this new series TO 3 are exercised for subscription of shares, the Company will receive additional proceeds of a maximum of approximately SEK 200 million before issue costs.

Assets and valuation of Allarity and comparable US Nasdaq companies.



Strong protection of Intellectual Property Rights



- Allarity recently received the USPTO allowance on three pending applications, including the DRP® for Dovitinib.
- Currently 15 DRP® patents are granted covering 70 different drugs.
- Patents are granted in major oncology markets: Australia, Canada, China, EU, Japan, and USA
- Additional 19 DRP® patent applications are pending

The Offering

Transaction terms: Two (2) existing shares entitles each shareholder to subscribe for one (1) Unit consisting of one (1) share accompanied by one (1) 24-month warrant with strike price SEK 1.70.

Issue price: SEK 0,85 per Unit

Issue amount: A maximum of SEK 102.757.483,5 (before transaction costs)

Number of shares outstanding before the Rights Issue: 241.782.314

Maximum number of new shares under the Rights Issue: 120.891.157

Maximum total number of shares in the Company after completion of the Rights Issue at full subscription: 362.673.471

For more company information: https://allarity.com/ For financial update: www.allarity.com/investors/financials

Advisors

Aalto Capital AB is the sole global coordinator and bookrunner in connection with the Rights Issue and Hagberg & Aneborn Fondkommission AB the issuing agent. Mazanti-Andersen Advokatpartnerselskab is legal advisor to the Company.