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Quarterly Activities & Cash Report and 4C for the quarter ended 31 December 2021

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QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 DECEMBER 2021

HIGHLIGHTS:

- **Commencement of trading on ASX following a strongly supported IPO that raised A$50m from investors**
- **Phase 1 RAD201 imaging study in breast cancer completed, yielding uniformly excellent, easy to interpret images**
- **Integrins technology featured in prestigious research journal *Cancers***
- **Key management and Scientific Advisory Board appointments**

Radiopharm Theranostics (ASX:RAD, "Radiopharm" or the "Company"), a developer of a world-class platform of radiopharmaceutical products for both diagnostic and therapeutic uses, is pleased to provide a summary of its activities for the quarter ended 31 December 2021.

Radiopharm lists on the ASX following $50 IPO

In November, Radiopharm commenced trading on the ASX following a strongly supported IPO which raised $50m from institutional, sophisticated and retail investors. The IPO saw the issue of 83.3 million new shares at A$0.60 per share.

IPO funds will be used for licensing fees, clinical trials and manufacturing costs, milestone fees and employment of company personnel.

Within its portfolio of licensed assets, Radiopharm has five phase two clinical trials and two phase one trials underway, with 133 patients dosed across three of the four assets to date.

The global radiopharmaceuticals market was estimated to be valued at US$6.7b in 2020, a number expected to reach US$11.5b by 2027.

Phase 1 imaging study in breast cancer completed

In December the Company completed a Phase 1 imaging study with 40 patients at Shanghai General Hospital to investigate the safety, dosimetry and efficacy of RAD201 in HER2 positive breast cancer subjects.

HER2 overexpression in breast cancer is often associated with aggressive disease and consequently, poor prognosis.

The study yielded uniformly excellent, easy to interpret images demonstrating outstanding target-to-background, making quantification straightforward and RAD201 SPECT imaging a potentially fast and non-invasive way of gaining insight to HER2 overexpression in breast cancer primary and metastatic lesions. No concerning safety signal was observed, with one minor transient adverse event deemed unrelated to the drug product.

The study was conducted in concert with collaborators at Shanghai General Hospital in China and NanoMab in London, UK and Hong Kong, China.

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Radiopharm's Integrins featured in Cancers journal

Radiopharm's best in class avb6 Integrin platform technology, developed by highly regarded Integrin expert Professor Johannes Notni, was featured in the prestigious research journal *Cancers*.

The manuscript titled 'It's Time to Shift the Paradigm: Translation and Clinical Application of Non-avb3 Integrin Targeting Radiopharmaceuticals', concluded that that avb6 is 'arguably the most promising target structure for radiotheranostics', noting its broad clinical scope across oncology as well as fibrotic diseases, which may include COVID-19 related syndromes.

It also notes that this might lead to a paradigm change and trigger the replacement of avb3 by avb6 'as the most popular integrin in theranostics'.

Radiopharm adds key management & scientific personnel

Radiopharm expanded its management team with three key senior appointments:

- Dr. Scot Harper joined RAD's management team on 1 December 2021 as Senior Vice President (SVP) of Clinical Operations. Dr. Harper has spent his entire professional career in drug development, having held positions of progressively increasing responsibility at the VP level with companies including Eli Lilly, Novartis, and Parexel.

- Dr. Gitasha Chand, MBBS, MS joined Radiopharm as Global Medical Director. Dr. Chand is a physician with special expertise in radiopharmaceutical drug development. At NanoMab Technology Limited, she headed the Clinical Research department where she successfully planned and oversaw the completion of two early Phase 1 studies in Shanghai, targeting PD-L1 expression in non-small cell lung cancer and HER2 expression in breast cancer.

- Dr. Levente Meszaros, PhD joined Radiopharm as Global Director of Translational Science. He is an expert in molecular imaging and radioconjugate development. Prior to joining Radiopharm he was Director of Technical Operations at NanoMab Technology, overseeing non-clinical tracer development, technology transfer and GMP manufacturing of small molecules.

The Company also appointed Dr Sara Hurvitz to its Scientific Advisory Board. Dr Hurvitz specialises in breast cancer treatment and is involved in designing, implementing, and leading clinical trials to test new targeted therapies.

Directors increase shareholdings through on-market purchases

Three directors completed on-market purchases of RAD throughout the quarter, with Paul Hopper, Ian Turner and Riccardo Canevari each increasing their shareholdings during the period.

Financials

An Appendix 4C is attached to this announcement.

As detailed in the attached ASX Appendix 4C, the Company had $32.6 million in cash and equivalents as at 31 December 2021, up from $7.2 million compared to 30 September 2021. This will support the Company's efforts to progress the clinical trials that are underway.

The net cash used in operating activities during the quarter was $3.9 million compared to $0.9 million for the quarter to 30 September 2021. The increase is due to the increase in all company activities post IPO.

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The net cash used in investing activities during the quarter was $17.3 million compared to $10.5 million during the quarter ended 30 September 2021. The increase in expenditure relates to the license fee payments which were made as per the terms of the license agreements.

The net cash received in financial activities during the quarter was $46.6 million. This relates to the successful Initial Public Offering which occurred in November 2021.

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in items 6.1 of the Appendix 4C includes sign on payment, payments for directors fees and remuneration in the normal course of business at commercial rates, excluding reimbursements of out-of-pocket expenses.

Pursuant to Listing Rule 4.7C.2, the Company confirms that, in the 1 month since listing on the ASX, it has incurred expenditure largely in line with the Use of Proceeds set out in its Prospectus, as detailed below.

Use of Funds under Prospectus	**Funds allocated under Prospectus**	**Funds expected allocation between admission and 31 Dec 2021**	**Funds expended between admission and 31 Dec 2021**	**Variance**	
Offer Costs – IPO[1]	$4,035,282	$4,035,282	$3,594,840	$440,442	11%
License fees[1]	$12,760,417	$12,760,417	$12,693,873	$66,544	1%
Admin/corporate and general working[1]	$2,835,962	$464,751	$385,806	$78,945	17%
Employment[1]	$9,543,591	$652,949	$418,161	$234,788	36%
Sponsored research agreements	$3,951,266	$0	$0	$0	0%
Milestones	$6,172,980	$0	$0	$0	0%
Phase 1 clinical trials and manufacturing[1]	$10,700,502	$20,833	$103,697	($82,864)	(398%)
Total	**$50,000,000**	**$17,934,232**	**$17,196,378**	**$737,855**	**4%**

[1] Costs remain largely In line with expected use of funds.

Expenditure in the above table relates only to the $50 million raised during the Initial Public Offering and does not include the expenditure of the funds raised during the Convertible Note raise.

Authorised by the Radiopharm Theranostics board of directors.

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

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Name of entity

Radiopharm Theranostics Limited

ABN	**Quarter ended ("current quarter")**
57 647 877 889	31 December 2021

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	(1,432)	(1,447)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(1,341)	(1,977)
	(f) administration and corporate costs	(1,250)	(1,505)
1.3	Dividends received (see note 3)	-	--
1.4	Interest received	-	
1.5	Interest and other costs of finance paid	-	
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – GST refunded	108	113
1.9	**Net cash from / (used in) operating activities**	**(3,915)**	**(4,816)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	(17,275)	(27,780)
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(17,275)**	**(27,780)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	50,000	50,000
3.2	Proceeds from issue of convertible debt securities	-	20,000
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3,431)	(4,782)
3.5	Proceeds from borrowings	-	10
3.6	Repayment of borrowings	-	(69)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	**Net cash from / (used in) financing activities**	**46,569**	**65,159**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	7,211	27
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,915)	(4,816)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(17,275)	(27,780)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	46,569	65,159
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**32,590**	**32,590**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	32,590	7,211
5.2	Call deposits		-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**32,590**	**7,211**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	736
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in items 6.1 of the Appendix 4C includes sign on payment, payments for directors fees and remuneration in the normal course of business at commercial rates, excluding reimbursements of out-of-pocket expenses.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-
7.5	**Unused financing facilities available at quarter end**		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,915)
8.2	Cash and cash equivalents at quarter end (item 4.6)	32,590
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	32,590
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	8.3

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 25 January 2022

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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