

## Kintara is now Kintara (NASDAQ/DMPI)

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### BUY: Two Pivotal Assets – REM-001 & VAL-083

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Kintara is now Kintara and the merger with Adgero is complete. Our model reflects our estimates for REM-001 for CMBC (breast cancer). Our share counts are estimated and are likely to be revised once we see Kintara report the quarter, and we can update the basic and fully diluted share counts. Kintara is now a pivotal company with two late-stage programs. One in Glioblastoma (VAL-083) and the second, a light-activated therapy REM-001 for breast cancer. Critically important is the fact that the Company, for the first time, in a long time, is well-funded with cash on the balance sheet, approximately \$25million just raised.

### Investment Highlights

**Cash Raised.** Kintara closed a private placement (an aggregate of 25,028 shares of the Company's Series C Convertible Preferred Stock at a purchase price of \$1,000 per share. Priced at-the-market under the rules of the Nasdaq Stock Market. The Preferred Stock was issued in three separate series (details in Kintara's press release).

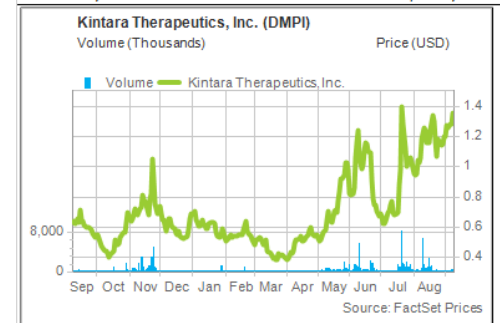
**REM-001.** This is a three-part therapy: a laser light source, a light delivery device, and the drug REM-001. REM-001 is a second-generation photosensitizer under development for unresectable cutaneous metastatic breast cancer (CMBC). This disease affects women with advanced breast cancer, where treatment options are limited. For this and similar cutaneous applications, the light delivery device is a simple and easy to use fiber optic wand that the physician employs to illuminate the tumor with light directly.

**Does it work?** In multiple Phase 2 trials in CMBC, which were primarily targeting patients who had previously failed radiation therapy, REM-001 was able to reduce or eliminate a substantial number of the treated CMBC tumors. Specifically, the Company's analysis of the data collected from these trials indicates that in approximately 80% of evaluable tumor sites treated with REM-001 therapy, there was a complete response, meaning that follow-up clinical assessments showed no visible evidence of the tumor remaining. Our understanding is that Kintara may run a small Proof of Concept study to validate the results while developing a strategy to initiate and fund pivotal development in CMBC using a similar trial design.

**Valuation.** Our valuation is driven by our revenue projections for VAL-083 (GBM) and REM-001 for CMBC. For both indications, we apply a risk cut in our model (30%), which flows into our income statement. We model both products out to 2030. Our models also factor in the increase in shares from the merger as well as future assumed dilution, based on a fully diluted 2030 share count. We triangulate FCFF, discounted EPS, and sum-of-the-parts models. We then average and equally weight each model to derive an NPV, which is rounded to the nearest whole number to calculate our target price.

**Risk to our thesis includes the following:** (1) commercial; (2) regulatory; (3) clinical; (4) manufacturing; (5) financial; (6) liability; and (7) intellectual property.

Current Price	\$1.36		
Price Target	\$4.00		
<b>Estimates</b>	<b>F2018A</b>	<b>F2019A</b>	<b>F2020E</b>
<b>Expenses (\$000s)</b>	\$ 11,175	\$ 8,398	\$ 7,595
1Q March	\$ 2,679	\$ 2,006	\$ 1,635
2Q June	\$ 3,154	\$ 1,822	\$ 1,766
3Q September	\$ 2,935	\$ 1,671	\$ 1,976
4Q December	\$ 2,407	\$ 2,899	\$ 2,218
	<b>F2018A</b>	<b>F2019A</b>	<b>F2020E</b>
<b>EPS (diluted)</b>	\$ (0.87)	\$ (0.63)	\$ (0.12)
1Q March	\$ (0.09)	\$ (0.21)	\$ (0.03)
2Q June	\$ 0.08	\$ (0.15)	\$ (0.03)
3Q September	\$ (0.04)	\$ (0.17)	\$ (0.03)
4Q December	\$ (0.83)	\$ (0.09)	\$ (0.03)
<b>EBITDA/Share</b>	(\$0.53)	(\$0.09)	(\$0.07)
<b>EV/EBITDA (x)</b>	0.0	0.0	0.0
<b>Stock Data</b>			
52-Week Range	\$0.38	-	\$1.53
Shares Outstanding (mil.)	22.8		
Market Capitalization (mil.)	\$31		
Enterprise Value (mil.)	\$23		
Debt to Capital	0%		
Book Value/Share	\$0.11		
Price/Book	13		
Average Three Months Trading Volume (K)	1,329		
Insider Ownership	8.2%		
Institutional Ownership	2.3%		
Short interest (mil.)	1.4%		
Dividend / Yield	\$0.00/0.0%		



**VAL-083 in Glioblastoma.** Recent news that the Global Coalition for Adaptive Research (GCAR) plans to include VAL-083 in its Glioblastoma Adaptive Global Innovative Learning Environment (GBM AGILE) Study, is positive.

- **The study is designed** as an adaptive clinical trial platform in glioblastoma multiforme (GBM). Kintara plans to utilize the GBM AGILE study to serve as the basis for VAL-083's new drug application (NDA) submission and registration.
- **What is it?** GBM AGILE is an international effort in newly-diagnosed and recurrent GBM (both indications where VAL-083 has shown activity). The trial utilizes "an FDA approved master protocol" with multiple drugs to be tested simultaneously and over time against a common control arm.
- **As an approved registrational study**, results from the VAL-083 arm of GBM AGILE are intended to be utilized to file for FDA approval. This study employs a cost-efficient, adaptive trial design with a Stage 1 (Phase 2) learning and adapting phase and a Stage 2 (Phase 3) expansion and confirmation phase.
- **KOL-Led Effort:** The effort is led by top-tier key opinion leaders in the GBM field and has the collective support of an international group of more than 130 clinicians, researchers, biostatisticians, imagers, pathologists, leaders from government and industry, and patient advocates.

### Exhibit 1. US GBM Model

Glioblastoma Multiforme (GBM), United States	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Newly diagnosed GBM patients in the U.S.	22,850	22,850	22,850	23,880	23,880	23,880	23,880	23,880	23,880	23,880	23,880	23,880	23,880	23,880	23,880	23,880
Growth Rate of incidence	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Prevalence	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Patients eligible for treatment, insurance coverage, 75%	17,138	17,138	17,138	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910
Frontline treatment, Temozolamide	17,138	17,138	17,138	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910	17,910
Patients failing frontline treatment, refractory GBM	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%
Second line treatment, Avastin	10,283	10,283	10,283	10,746	10,746	10,746	10,746	10,746	10,746	10,746	10,746	10,746	10,746	10,746	10,746	10,746
Patients failing second line treatment, refractory GBM	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%
Patients eligible for third line VAL-083	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Frontline market penetration			0%	0%	0%	0%	0%	0%	0%	5%	10%	20%	25%	30%	35%	40%
Second line market penetration			0%	0%	0%	0%	0%	0%	0%	5%	10%	20%	25%	30%	40%	40%
Third line market penetration			0%	0%	0%	0%	0%	0%	0%	0%	5%	10%	20%	20%	30%	40%
Total patients receiving VAL-083	0	0	0	0	0	0	0	0	0	537	1,970	3,940	6,269	8,597	11,462	
Annual cost of treatment						\$ 70,000	\$ 70,700	\$ 71,407	\$ 72,121	\$ 72,842	\$ 73,571	\$ 74,306	\$ 75,049	\$ 75,800	\$ 76,558	
Increase in price						1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	
VAL-083 revenue, U.S. (\$MM)						\$ -	\$ -	\$ -	\$ -	\$ 39,138	\$ 144,942	\$ 292,782	\$ 470,448	\$ 651,637	\$ 877,538	
Risk adjustment						30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	
<b>Total Revenue (\$MM)</b>						\$ -	\$ -	\$ -	\$ -	\$ 27,397	\$ 101,459	\$ 204,947	\$ 329,313	\$ 456,146	\$ 614,277	

Source: Dawson James estimates, company reports

### Exhibit 2. US CMBC Model

CMBC USA	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Newly diagnosed CMBC patients in the U.S.	10,000,000	10,000,000	10,000,000	10,001,000	10,002,000	10,003,000	10,004,001	10,005,001	10,006,002	10,007,002	10,008,003	10,009,004	10,010,005	10,011,006	10,012,007	10,013,008
Growth Rate of incidence	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Prevalence (1st, 2nd and 3rd line)	65,000	65,065	65,130	65,195	65,260	65,326	65,391	65,456	65,522	65,587	65,653	65,719	65,784	65,850	65,916	65,982
Market Share							0%	0%	2%	5%	6%	7%	8%	9%	10%	15%
Total patients receiving REM-001			0	0	0	0	0	0	1,310	3,279	3,939	4,600	5,263	5,927	6,592	9,897
Annual cost of treatment						\$ 35,000	\$ 35,350	\$ 35,704	\$ 36,061	\$ 36,421	\$ 36,785	\$ 37,153	\$ 37,525	\$ 37,900	\$ 38,279	
Increase in price						1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	
Revenue, U.S. (\$MM)						\$ -	\$ -	\$ 46,787	\$ 118,256	\$ 143,469	\$ 169,224	\$ 195,528	\$ 222,391	\$ 249,821	\$ 378,858	
Risk adjustment						30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	
<b>Total Revenue (\$MM)</b>						\$ -	\$ -	\$ 32,751	\$ 82,779	\$ 100,428	\$ 118,457	\$ 136,869	\$ 155,673	\$ 174,875	\$ 265,200	

Source: Dawson James estimates, company reports

**Valuation.** Our valuation is driven by our revenue projections for VAL-083 for its main indication in Glioblastoma Multiforme and now includes REM-001. We do not model any revenues from the GBM program until 2024 and CMBC in 2023. We project our model through the year 2030. Our models factor in funding (dilution) using a fully diluted 2030 share count. We triangulate FCFF, discounted EPS, and sum-of-the-parts models. We then average and equally weight each model to derive an NPV, which is rounded to the nearest whole number to calculate our target price. Investors should recognize that this modeling exercise, which models for ten years while projected based on the current data and estimates, is limited in its ability to predict a 12-month target. The price of the stock will ultimately be driven near term by factors such as news flow, new trial data, and cyclic concerns of financings (dilution).

### Exhibit 3. Free Cash Flow Model

	Average	\$	4.00
Price Target	\$	4	
Year		2020	

DCF Valuation Using FCF (mln):													
units ('000)	2018A	2019E	2020E	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	20230E
EBIT	(11,138)	(8,048)	(7,521)	(8,615)	(8,701)	18,501	152,598	262,588	263,994	516,959	621,194	515,074	786,885
Tax Rate	0%	0%	0%	5%	10%	14%	18%	22%	23%	24%	25%	25%	26%
EBIT(1-t)	(11,138)	(8,048)	(7,521)	(8,615)	(8,266)	16,651	131,234	215,322	205,915	398,058	472,108	386,305	582,295
CapEx	-	-	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in NWC	-	-	-	-	-	-	-	-	-	-	-	-	-
FCF	(11,138)	(8,048)	(7,641)	(8,735)	(8,386)	16,531	131,114	215,202	205,795	397,938	471,988	386,185	582,175
PV of FCF	(8,568)	(4,762)	(3,478)	(3,058)	(2,259)	3,425	20,895	26,382	19,406	28,866	57,861	36,417	42,230
Discount Rate	30%												
Long Term Growth Rate	1%												
Terminal Cash Flow	2,027,574												
Terminal Value YE2030	147,076.48												
NPV	373,763												
NPV-Debt	-												
Shares out (thousands)	101,666	2030E											
NPV Per Share	\$	4											

Source: Dawson James estimates, company reports

### Exhibit 4. Discounted-EPS Model

Current Year	2020
Year of EPS	2030
Earnings Multiple	10
Discount Factor	30%
Selected Year EPS	\$ 5.73
NPV	\$ 4

Source: Dawson James

Discount Rate and Earnings Multiple Varies, Year is Constant							
		2030 EPS					
		5%	10%	15%	20%	25%	30%
Earnings Multiple	1	\$3.52	\$2.21	\$1.42	\$0.92	\$0.61	\$ 0.42
	5	\$17.58	\$11.04	\$7.08	\$4.62	\$3.07	\$ 2.08
	10	\$35.16	\$22.08	\$14.16	\$9.25	\$6.15	\$ 4.15
	15	\$52.74	\$33.12	\$21.23	\$13.87	\$9.22	\$ 6.23
	20	\$70.31	\$44.16	\$28.31	\$18.50	\$12.30	\$ 8.31
	25	\$87.89	\$55.20	\$35.39	\$23.12	\$15.37	\$ 10.39
	30	\$105.47	\$66.24	\$42.47	\$27.75	\$18.45	\$ 12.46
35	\$123.05	\$77.28	\$49.54	\$32.37	\$21.52	\$ 14.54	

Source: Dawson James estimates

### Exhibit 5. Sum-of-the-Parts Model

Company: DMPi	LT Gr	Discount Rate	Yrs. to Mkt	% Success	Peak Sales MMs	Term Val
VAL-083 USA	1%	30%	4	70%	\$878	\$3,026
NPV						\$3.65
VAL-083 China	1%	30%	5	0%	\$713	\$2,458
NPV						\$0.00
REM-001	1%	30%	4	70%	\$283	\$975
NPV						\$1.18
Net Margin						50%
MM Shrs OS (2030E)						102
Total						\$5

Source: Dawson James estimates

## Risk Analysis

**Clinical and regulatory risk.** Kintara Therapeutics is currently in Phase 2 clinical trials in both applications of its pipeline product focused on MGMT-unmethylated GBM. There is no assurance that its product will be approved for any additional indications and, even if approved, will be reimbursed by insurance or successfully commercialized.

**Commercial risk.** The focus of the Company is on successfully developing its products and eventually bringing them to the mass market. It is important to note that the market opportunity in MGMT-unmethylated GMB is large, and if successful, VAL-083 may be introduced to the market for multiple cancer applications. We can make no assurances that the Company will be able to achieve a critical level of market share to become profitable in this indication and or in additional planned indications.

**Employee risk.** Kintara Therapeutics has an experienced management team in its President and CEO, CSO, and CFO. Kintara Therapeutics plans to bring its proposed products to reality. Kintara Therapeutics success will depend, to a great extent, upon the experience, abilities and continued services of its senior officers, sales staff, and key scientific personnel.

**Financial risk.** The Company may need to raise capital in the marketplace relatively soon, and there can be no assurances that the Company will be able to raise capital and do so on favorable terms successfully.

**Intellectual property risk.** The Company may have to defend its patents and technical know-how, and there can be no assurances that the patents will not be infringed or will be held as valid if challenged, and the Company may infringe on third parties' patents.

**Reimbursement and insurance payment risk.** Insurance payment for products may be an additional hurdle for adoption.

**Exhibit 6. Income Statement**

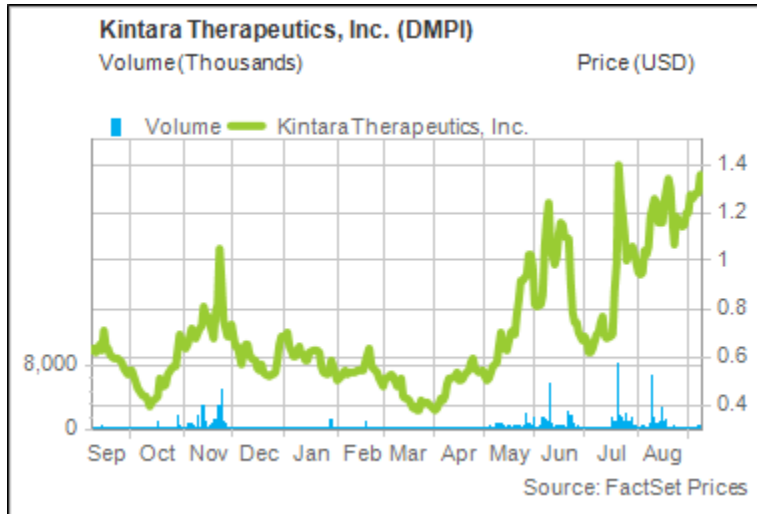
Kintara Therapeutics (DMPPI)- Income Statement ('000)	6. 2018 YE	6. 2019 A	1Q20A	2Q20A	3Q20A	4Q20E	6. 2020 YE	1Q21E	2Q21E	3Q21E	4Q21E	6. 2021 YE	6. 2022 YE	6. 2023 YE	6. 2024 YE	6. 2025 YE	6. 2026 YE	6. 2027 YE	6. 2028 YE	6. 2029 YE	6. 2030 YE
FYE-Jun 30	6.2018	6.2019 A	3Q19A	4Q19A	1Q20A	2Q20E	6.2020E	3Q20E	4Q20E	1Q21E	2Q21E	6.2021	6.2022	6.2023	6.2024	6.2025	6.2026	6.2027	6.2028	6.2029	6.2030
<b>Revenue (\$000)</b>																					
REM-001													0	32,751	115,891	167,381	186,146	205,304	242,159	262,312	282,880
VAL-083 U.S.													0	72,335	146,117	221,368	298,109	366,954	437,146	518,302	
VAL-083 ROW																					
License Fees and Royalties (China sales)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Product Sales</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	32,751	188,226	313,498	407,514	503,414	609,113	699,458	801,183
<b>Total Revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	32,751	188,226	313,498	407,514	503,414	609,113	699,458	801,183
<b>Expenses</b>																					
Cost of Goods Sold	-	-	-	-	-	-	-	-	-	-	-	-	-	3,275	18,823	31,350	40,751	50,341	60,911	69,946	80,118
COGS % of revenue														10%	10%	10%	10%	10%	10%	10%	10%
Sales, General and administrative expenses	4,042	4,736	914	1,054	1,078	1,256	4,831	1,171	1,220	1,220	1,269	4,879	4,928	4,978	10,000	10,100	10,201	10,303	10,406	10,510	10,615
SG&A % of revenue														10%	10%	10%	10%	10%	10%	10%	10%
Research and Development	7,133	3,662	721	712	899	962	3,699	897	934	934	971	3,736	3,773	6,000	12,000	12,120	12,241	12,364	12,487	12,612	12,738
R&D % of revenue														10%	10%	10%	10%	10%	10%	10%	10%
<b>Non-GAAP, Adj</b>																					
<b>Total expenses</b>	<b>11,175</b>	<b>8,398</b>	<b>1,635.10</b>	<b>1,765.94</b>	<b>1,976.36</b>	<b>2,217.76</b>	<b>7,595</b>	<b>2,068</b>	<b>2,154</b>	<b>2,154</b>	<b>2,240</b>	<b>8,615</b>	<b>8,701</b>	<b>14,253</b>	<b>35,631</b>	<b>50,912</b>	<b>60,509</b>	<b>70,297</b>	<b>81,066</b>	<b>90,302</b>	<b>100,678</b>
Oper. Inc. (Loss)	(11,175)	(8,398)	(1,635)	(1,766)	(1,976)	(2,218)	(7,595)	(2,068)	(2,154)	(2,154)	(2,240)	(8,615)	(8,701)	18,498	152,595	262,586	347,005	433,117	528,046	609,156	700,504
Change in fair value of derivative liability	60	(434)																			
Change in fair value of derivative liability due to change in warrant terms		126																			
Issuance of shares to Valent																					
Loss on exchange of warrants																					
Foreign exchange gain	(57)	18	(0)	2	(2)		(1)														
Interest expense							(74)														
Interest income	33	(61)																			
<b>Total non-operating income</b>	<b>36</b>	<b>(350)</b>																			
<b>Pretax Income</b>	<b>(11,138)</b>	<b>(8,048)</b>	<b>(1,606)</b>	<b>(1,740)</b>	<b>(1,957)</b>	<b>(2,218)</b>	<b>(7,521)</b>	<b>(2,068)</b>	<b>(2,154)</b>	<b>(2,154)</b>	<b>(2,240)</b>	<b>(8,615)</b>	<b>(8,701)</b>	<b>18,501</b>	<b>152,598</b>	<b>262,589</b>	<b>347,008</b>	<b>433,120</b>	<b>528,050</b>	<b>609,159</b>	<b>700,508</b>
Income Tax Benefit (Provision)														(435)	1,850	21,364	47,266	76,342	99,618	126,732	152,290
<b>Tax Rate</b>														<b>5%</b>	<b>10%</b>	<b>14%</b>	<b>18%</b>	<b>22%</b>	<b>23%</b>	<b>24%</b>	<b>25%</b>
<b>GAAP Net Income (loss)</b>	<b>(11,281)</b>	<b>(8,048)</b>	<b>(1,606)</b>	<b>(1,740)</b>	<b>(1,957)</b>	<b>(2,218)</b>	<b>(7,521)</b>	<b>(2,068)</b>	<b>(2,154)</b>	<b>(2,154)</b>	<b>(2,240)</b>	<b>(8,615)</b>	<b>(8,266)</b>	<b>16,651</b>	<b>131,234</b>	<b>215,323</b>	<b>270,666</b>	<b>333,503</b>	<b>401,318</b>	<b>456,869</b>	<b>518,376</b>
Preferred stock dividend	176.24	80.43	2.05	2.55	1.47																
<b>Net and comprehensive loss available to common stockholders</b>	<b>(11,315)</b>	<b>(9,178)</b>	<b>(1,608)</b>	<b>(1,743)</b>	<b>(1,959)</b>	<b>(2,218)</b>	<b>(7,521)</b>	<b>(2,068)</b>	<b>(2,154)</b>	<b>(2,154)</b>	<b>(2,240)</b>	<b>(8,615)</b>	<b>(8,266)</b>	<b>16,651</b>	<b>131,234</b>	<b>215,323</b>	<b>270,666</b>	<b>333,503</b>	<b>401,318</b>	<b>456,869</b>	<b>518,376</b>
<b>GAAP-EPS</b>	<b>(0.55)</b>	<b>(1.28)</b>	<b>(0.21)</b>	<b>(0.15)</b>	<b>(0.17)</b>	<b>(0.09)</b>	<b>(0.63)</b>	<b>(0.03)</b>	<b>(0.04)</b>	<b>(0.04)</b>	<b>(0.04)</b>	<b>(0.14)</b>	<b>(0.14)</b>	<b>0.27</b>	<b>2.14</b>	<b>3.50</b>	<b>4.38</b>	<b>5.37</b>	<b>6.44</b>	<b>7.30</b>	<b>8.25</b>
Non GAAP EPS (dil)	(0.55)	(0.87)	(0.21)	(0.15)	(0.17)	(0.09)	(0.63)	(0.03)	(0.03)	(0.03)	(0.03)	(0.12)	(0.11)	0.22	1.64	2.58	3.12	3.70	4.27	4.68	5.10
Wtdg Avg Shrs (Bas) - '000s	20,861	2,575	7,539	11,408	11,417	25,000	13,841	60,000	60,600	60,661	60,721	60,495	60,873	61,117	61,362	61,608	61,855	62,102	62,351	62,601	62,852
Wtdg Avg Shrs (Dil) - '000s	20,861	2,575	7,539	11,408	11,417	25,000	13,841	70,000	70,700	71,407	72,121	71,057	73,942	76,945	80,069	83,320	86,703	90,224	93,887	97,699	101,666

Source: Dawson James estimates, company reports

Companies mentioned in this report:

**Important Disclosures:**

**Price Chart:**



Price target and ratings changes over the past three years:

- Initiation - June 6, 2017 – Buy – Price target 20% (12-18 months)
- Update – August 8, 2017 – Buy – Price target \$6.60
- Update – March 1, 2018 – Buy - \$6.60
- Transfer – July 11, 2019 - Buy - \$4.00
- Update – July 15, 2019 – Buy \$4.00
- Update – July 24, 2019 – Buy \$4.00
- Update – July 31, 2019 – Buy \$4.00
- Update – August 27, 2019 – Buy \$4.00
- Update – September 18, 2019 – Buy \$4.00
- Update – December 2, 2019 – Buy \$4.00
- Update – February 14, 2020 – Buy \$4.00
- Update – March 5, 2020 – Buy \$4.00
- Update – May 5, 2020 – Buy \$4.00
- Update – May 13, 2020 – Buy \$4.00
- Update – June 4, 2020 – Buy \$4.00
- Update – June 10, 2020 – Buy \$4.00
- Update – June 23, 2020 – Buy \$4.00
- Update – June 24, 2020 – Buy \$4.00
- Update – July 30, 2020 – Buy \$4.00
- Update – September 9, 2020 – Buy \$4.00

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- 1) **Buy:** The analyst believes the price of the stock will appreciate and produce a total return of at least 20% over the next 12-18 months;
- 2) **Neutral:** The analyst believes the price of the stock is fairly valued for the next 12-18 months;
- 3) **Sell:** The analyst believes the price of the stock will decline by at least 20% over the next 12-18 months and should be sold.

The following chart reflects the range of current research report ratings for all companies, followed by the analysts of the Firm. The chart also reflects the research report ratings relating to those companies for which the Firm has performed investment banking services.

Ratings Distribution	Company Coverage		Investment Banking	
	# of Companies	% of Total	# of Companies	% of Totals
Market Outperform (Buy)	23	85%	4	17%
Market Perform (Neutral)	4	15%	1	25%
Market Underperform (Sell)	0	0%	0	0%
Total	27	100%	5	19%

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