Telix Pharmaceuticals Limited
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Australia

Activity Report and Sales Note to Accompany Appendix 4C

Melbourne (Australia) – 21st April 2020. Telix Pharmaceuticals Limited (ASX: TLX, 'Telix', the 'Company') today provides its Appendix 4C for the quarter ending 31st March 2020 and a Q1 2020 sales update for its prostate cancer imaging product, the TLX591-CDx kit (Kit for the preparation of ^{68}Ga-PSMA-11 Injection).

Financial Summary

- The Company held cash reserves at the end of the quarter of $34.49 million.
- Operating expenditure during the quarter was $14.16 million, in line with forecasts, with investment of $10.61 million in direct R&D activities.
- Approximately A$4 million of expenditure was one-time activity, predominantly related to manufacturing drug product for Telix's prostate and kidney cancer therapy programs.

Telix expects a reduction in the rate of R&D and clinical trial expenditure for the remainder of 2020, in part due to COVID-19. The Company asserts that the statutorily reported 'estimated quarters of funding available' remains conservative. Telix has previously indicated it estimates it has sufficient cash reserves, excluding material revenue from product sales, to undertake its first two commercial product launches and to continue its operations through 2021.[1] The Company confirms that payments noted under section 6.1 of the accompanying Appendix 4C include payments to ABX-CRO advanced pharmaceutical services Forschungsgesellschaft for the provision of clinical and analytical services for its programs, and to Directors for director fees.[2]

R&D Activity

R&D activity during the quarter was directed at continued development of the Company's three major programs: TLX591-CDx / TLX591 (diagnosis / treatment of prostate cancer); TLX250-CDx / TLX250 (diagnosis / treatment of kidney cancer); and TLX101 (treatment of glioblastoma, a form of malignant brain cancer). Telix also successfully received a $500,000 research grant from the Innovative Manufacturing Cooperative Research Centre (IMCRC) together with GenesisCare, iPHASE Technologies, Cyclotek and the Bio21 Institute (University of Melbourne). This non-dilutive funding will support the clinical translation of several novel product candidates.

The Company has also commenced the process of restructuring its external scientific and clinical advisory board, based on the changing needs of the business. Professor Frederik Giesel (University of Heidelberg, Germany), a nuclear medicine thought leader, has now joined Telix's Scientific Advisory Board (SAB).

Regulatory Activity

During the quarter the US Food and Drug Administration (FDA) approved the Company's Phase III 'ZIRCON' Investigational New Drug (IND) application to enable recruitment of patients in the United States, a very significant regulatory milestone for the Company. The

[1] ASX disclosures 21/11/19, 29/01/20.
[2] Dr Andreas Kluge is a Non-Executive Director of Telix Pharmaceuticals Limited and General Manager of ABX-CRO advanced pharmaceutical services Forschungsgesellschaft.

ZIRCON study is evaluating the safety and efficacy of TLX250-CDx (^{89}Zr-girentuximab) for the imaging of clear cell renal cell cancer (ccRCC) using Positron Emission Tomography (PET).

The Company also announced in late February that it received positive feedback from the FDA regarding its planned submission of a New Drug Application (NDA) for TLX591-CDx. During the quarter Telix substantially completed the analysis and documentation for marketing authorisation submission in the United States and Europe, with submission expected shortly.

Commercial and M&A Activity

Telix continues to engage with numerous manufacturing, supply chain and commercialisation partners as part of its product development activity. During the quarter, the Company completed the acquisition of a licensed radiopharmaceutical production facility in Seneffe, Belgium from German company Eckert & Ziegler Strahlen und Medizintechnik AG (ASX disclosure 03/04/20). This is a significant acquisition that delivers a major strategic manufacturing capability in Europe for the entirety of Telix's product portfolio.

During the quarter, the Company completed the negotiation of several key commercial and distribution agreements in relation to the launch of TLX591-CDx (prostate cancer imaging), with the Company announcing, subsequent to the quarter, a commercial agreement with Cardinal Health as a commercial partner in the United States (ASX disclosure 08/04/20).

Quarterly Sales

During the quarter, Telix delivered approximately 2,600 individual patient doses prepared from 1,100 TLX591-CDx prostate cancer imaging kits. The Company received A$1.14M in cash from product sales for the quarter, up 15% on the prior quarter. Pricing of the TLX591-CDx kit remained stable during the period.

Telix CEO Dr Chris Behrenbruch stated, "Telix continues to make excellent clinical and commercial progress, notwithstanding the disruption of COVID-19. The Company remains on track with its prostate cancer imaging marketing authorisation process in the US and Europe. We are highly focused on the objective of becoming a revenue-generating company based on an approved product that meets a significant unmet medical need."

Investor Conference Call

A conference call with Telix CEO Dr Chris Behrenbruch will be held at 8:00am AEDT on Wednesday 22nd April 2020 to provide a quarterly update. Participants can register for the conference call at: https://s1.c-conf.com/diamondpass/10005941-invite.html

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About Telix Pharmaceuticals Limited

Telix is a clinical-stage biopharmaceutical company focused on the development of diagnostic and therapeutic products using Molecularly Targeted Radiation (MTR). Telix is headquartered in Melbourne with international operations in Belgium, Japan and the United States. Telix is developing a portfolio of clinical-stage oncology products that address significant unmet medical need in renal, prostate and brain cancer. Telix is listed on the Australian Securities Exchange (ASX: TLX). For more information visit www.telix.com.

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Important Information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933 (the "U.S. Securities Act"), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States, unless the securities have been registered under the U.S. Securities Act or an exemption from the registration requirements of the U.S. Securities Act is available. None of the technologies or products described in this document have received a marketing authorisation in any jurisdiction. This announcement has been authorised for release by Dr Christian Behrenbruch, Managing Director and Chief Executive Officer.

Appendix 4C

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

Name of entity	
Telix Pharmaceuticals Limited	
ABN	**Quarter ended ("current quarter")**
85 616 620 369	March 2020

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	1,135	1,135
1.2	Payments for		
	(a) research and development	(10,509)	(10,509)
	(b) product manufacturing and operating costs	(964)	(964)
	(c) advertising and marketing	(67)	(67)
	(d) leased assets	-	-
	(e) staff costs	(2,610)	(2,610)
	(f) administration and corporate costs	(1,161)	(1,161)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	47	47
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	10	10
1.9	**Net cash from / (used in) operating activities**	**(14,119)**	**(14,119)**
2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(471)	(471)
	(d) investments	-	-
	(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
	(f) other non-current assets		
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**	**(471)**	**(471)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	140	140
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	458	458
3.6	Repayment of borrowings	(24)	(24)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Leased assets)	(58)	(58)
3.10	**Net cash from / (used in) financing activities**	**516**	**516**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	44,598	44,598
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(14,119)	(14,119)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(471)	(471)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	516	516
4.5	Effect of movement in exchange rates on cash held	3,967	3,967
4.6	**Cash and cash equivalents at end of period**	**34,491**	**34,491**

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	34,491	44,598
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)**	**34,491**	**44,598**

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	593
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: Payments in 6.1 include payments to ABX-CRO advanced pharmaceutical services Forschungsgesellschaft for the provision of clinical and analytical services for its programs, and to Directors for director fees.

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	Nil	Nil
7.2	Credit standby arrangements	Nil	Nil
7.3	Other (please specify)	Nil	Nil
7.4	**Total financing facilities**	Nil	Nil

7.5	**Unused financing facilities available at quarter end**	Nil

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)	(14,119)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	34,491
8.3	Unused finance facilities available at quarter end (Item 7.5)	Nil
8.4	Total available funding (Item 8.2 + Item 8.3)	34,491
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	2.4

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

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

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

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

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: 21 April 2020

Authorised by: Mr Doug Cubbin, Chief Financial Officer

(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.