Press release

Allarity Therapeutics Files Form S-4 Registration Statement with U.S. Securities & Exchange Commission (SEC) for Listing on U.S. Nasdaq

- *Company anticipates the first day of trading on U.S. Nasdaq will be during the fourth quarter, 2021*
- *A previously-announced U.S. $20 million investment by 3i Fund supports Company's transition to the U.S. Nasdaq*

Hørsholm, Denmark (August 23, 2021) — Allarity Therapeutics A/S ("Allarity" or the "Company") today announced that its wholly-owned subsidiary, Allarity Therapeutics, Inc., a Delaware corporation, (hereinafter "Allarity US Inc."). has filed a Form S-4 Registration Statement ("Form S-4") with the U.S. SEC relating to its proposed Recapitalization Share Exchange and in anticipation of filing an application for a listing of Allarity US Inc.'s shares on the U.S. Nasdaq. The filing of the Form S-4 follows the Company's prior announcement, on May 21, 2021, that it had entered into a definitive Securities Purchase Agreement with 3i Fund (New York, NY U.S.A.) ("3i") for a U.S. $20 million investment ("Securities Purchase Agreement") to support the Company's recapitalization, reorganization, and migration to the U.S. Nasdaq Stock Market.

As previously announced, 3i will invest U.S. $20 million directly into Allarity US Inc., which has been organized as a wholly owned subsidiary of the Company and will become a U.S. based holding company of the Company's business operations after the Recapitalization Share Exchange is completed. As part of the recapitalization transaction, Allarity US Inc. will, through a special purpose wholly owned subsidiary, purchase substantially all of the assets and assume substantially all of the liabilities of the Company in exchange for shares of common stock of Allarity US Inc., and an application will be made to have the shares listed for trading on the U.S. Nasdaq Stock Market conditioned upon completion of the recapitalization.

Allarity's CEO Steve Carchedi noted, "*This is another important transformative milestone in our Company's history, which we believe will enable us to unlock shareholder value and achieve market values in line with our U.S. Nasdaq-listed peer group. We also remain grateful to have the continuing support of 3i Fund to help us in this major transition. We look forward to listing on the U.S. Nasdaq and to upholding our mission of realizing the promise of personalized medicine for cancer patients through advancing our pipeline programs and DRP® companion diagnostics."*

Further details about the recapitalization and reorganization plan, and migration to the U.S. stock market, are detailed in the Form S-4 filing (SEC File No. 333-258968) which can be found on the SEC website: https://www.sec.gov/edgar/searchedgar/companysearch.html)

The 3i Fund investment is conditioned upon i) shareholder approval, ii) the completion of the recapitalization, iii) acceptance of the listing application for the Allarity US Inc. common stock by the U.S. Nasdaq Stock Market, and iv) an effective registration statement filed with the SEC.

Following the Form S-4 filing with the SEC, Allarity Therapeutics anticipates that the target date for completion of the Recapitalization Share Exchange and anticipated listing on the U.S. Nasdaq stock market will be during the fourth quarter of 2021, subject to necessary approvals.

An extraordinary general meeting of the Company's shareholders will be convened once the registration statement filed with the SEC has been declared effective and at that time all shareholders will receive an information statement and prospectus that will describe the Recapitalization Share Exchange transaction and 3iFund investment in greater detail before voting on the transaction at the extraordinary meeting.

Upon the completion of the Recapitalization Share Exchange transaction, the Company anticipates that the Company's ordinary shares will no longer be listed for trading on the First North Growth Market (Stockholm, SE) and the shares of Allarity US Inc. common stock will be distributed to the Company's shareholders by an anticipated share buy-back (exchange) program, or an extraordinary or liquidating dividend.

Upon the completion of the Recapitalization Share Exchange, the Company's new global headquarters will be on the East Coast of the U.S., where Allarity US Inc. and a majority of its executive team is currently based. Allarity US Inc. will maintain its existing facilities in Denmark as a research and development (R&D) center, including a clinical diagnostics laboratory that can run DRP® companion diagnostic analysis for EU-based clinical trials and/or for marketed drugs.

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, including an ongoing, prospective Phase 2 trial. The DRP® platform can be used in all cancer types and is patented for more than 70 anti-cancer drugs.

About Allarity Therapeutics
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. The company has a mature portfolio of six drug candidates, including compounds in the pre-registration stage. The product portfolio includes: Stenoparib (2X-121), a PARP inhibitor in Phase 2 for ovarian cancer; Dovitinib, a pan-TKI advancing towards a U.S. NDA filing for renal cell carcinoma; IXEMPRA® (Ixabepilone), a microtubulin inhibitor approved in the U.S. for the treatment of breast cancer; LiPlaCis®, a liposomal formulation of cisplatin in Phase 2 trials for breast and prostate cancer, currently being developed by Smerud Medical Research International; 2X-111, a liposomal formulation of doxorubicin under manufacturing for Phase 2 in breast cancer, currently being developed by Smerud Medical Research International; and Irofulven, a DNA damaging agent in Phase 2 for prostate cancer, currently being developed by Lantern Pharma, Inc.

Follow us on social media:
Facebook: https://www.facebook.com/AllarityTx/
LinkedIn: https://www.linkedin.com/company/allaritytx/
Twitter: https://twitter.com/allaritytx

About 3i Fund

3i Fund is dedicated to working with companies on an individual level to understand their vision and growth objectives. The firm provides investment capital to help support the progress of our innovative and high-potential partners.
Contact: azinberg@3ifund.com

Important Information About the Recapitalization Share Exchange and Where to Find It.

This press release relates to a proposed Recapitalization transaction between Allarity Therapeutics, Inc., a Delaware corporation and a wholly owned subsidiary of Allarity Therapeutics A/S. A full description of the terms and conditions of the Plan of Reorganization and Asset Purchase Agreement constituting the recapitalization is provided in the registration statement on Form S-4 filed with the U.S. Securities and Exchange Commission (SEC) by Allarity Therapeutics, Inc., that includes a prospectus with respect to the securities to be issued in connection with the recapitalization, and information with respect to an extraordinary meeting of Allarity Therapeutics A/S shareholders to vote on the recapitalization and related transactions. **Allarity Therapeutics, Inc. and Allarity Therapeutics A/S urges its investors, shareholders and other interested persons to read the information statement and prospectus as well as other documents filed with the SEC because these documents will contain important information about Allarity Therapeutics, Inc., Allarity Therapeutics A/S, and the recapitalization transaction**. After the registration statement is declared effective, the definitive information statement and prospectus to be included in the registration statement will be distributed to shareholders of Allarity Therapeutics A/S, as of a record date to be established for voting on the proposed recapitalization and related transactions. Shareholders may obtain a copy of the Form S-4 registration statement, including the information statement and prospectus, and other documents filed with the SEC without charge, by directing a request to: Allarity Therapeutics A/S at Venlighedsej 1, 2970 Horsholm, Denmark. The preliminary and definitive information statement and prospectus included in the registration statement can also be obtained, without charge, at the SEC's website (www.sec.gov).

Participation in the Solicitation

Allarity Therapeutics, Inc., Allarity Therapeutics A/S, and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies or consents from Allarity Therapeutics A/S shareholders in connection with the proposed transaction. A list of the names of the directors and executive officers of Allarity Therapeutics, Inc. and Allarity Therapeutics A/S and information regarding their interests in the recapitalization transaction is contained in the information statement and prospectus . You may obtain free copies of these documents as described in the preceding paragraph.

Forward-Looking Statements

This document contains certain forward-looking statements within the meaning of the federal securities laws with respect to the proposed transaction between Allarity Therapeutics, Inc. ("Allarity US") and Allarity Therapeutics A/S ("Allarity A/S"). These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this document, including but not limited to: (i) the risk that the transaction may not be completed in a timely manner or at all, which may adversely affect the price of Allarity A/S's securities, (ii) the failure to satisfy the conditions to the consummation of the transaction as contemplated in the Plan of Reorganization and Asset Acquisition Agreement (the "Recapitalization Agreement"), by the shareholders of Allarity A/S, the satisfaction of the conditions to the Recapitalization Agreement, including the listing of Allarity US common stock on the Nasdaq Stock Market and the receipt of certain governmental and regulatory approvals, (iii) the inability to complete the 3i Fund investment in connection with the transaction, (iv) the occurrence of any event, change or other circumstance that could give rise to the termination of the Recapitalization Agreement, (v) the effect of the announcement or pendency of the transaction on Allarity A/S business relationships, operating results and business generally, (vi) risks that the proposed transaction disrupts current plans and operations of Allarity A/S and potential difficulties in Allarity A/S employee retention as a result of the transaction, (vii) the outcome of any legal proceedings that may be instituted against Allarity A/S or against Allarity US related to the Recapitalization Agreement or the transaction, (viii) the ability to obtain the listing of Allarity US's securities on a national securities exchange, (ix) the price of Allarity US's securities may be volatile due to a variety of factors, including changes in the competitive and highly regulated industries in which Allarity US plans to operate or Allarity A/S operates, variations in operating performance across competitors, changes in laws and regulations affecting Allarity US's or Allarity A/S's business and changes in the combined capital structure, (x) the ability to implement business plans, forecasts, and other expectations after the completion of the transaction, and identify and realize additional opportunities, and (xi) the risk of downturns and a changing regulatory landscape in Allarity US's highly competitive industry. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the "Risk Factors" section of Allarity US's registration statement on Form S-4 discussed above and other documents filed by Allarity US from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and except as required by law Allarity US and Allarity A/S assume no obligation and do not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Neither Allarity US nor Allarity A/S gives any assurance that either Allarity US or Allarity A/S or the recapitalized company will achieve its expectations.

Any financial projections in this communication are forward-looking statements that are based on assumptions that are inherently subject to significant uncertainties and contingencies, many of which are beyond Allarity US's and Allarity A/S's control. While all projections are necessarily speculative, Allarity US and Allarity A/S believe that the preparation of prospective financial information involves increasingly higher levels of uncertainty the further out the projection extends from the date of preparation. The assumptions and estimates underlying the projected results are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the projections.

The inclusion of projections in this communication should not be regarded as an indication that Allarity US and Allarity A/S, or their representatives, considered or consider the projections to be a reliable prediction of future events.

###

Investor Contacts:

InvestorRelations@allarity.com

U.S. Media Contact

Mike Beyer
Sam Brown, Inc.
+1 312-961-2502
mikebeyer@sambrown.com

EU Media Contact

Thomas Pedersen
Carrotize PR & Communications
+45 6062 9390
tsp@carrotize.com

Placement Agent
LifeSci Capital LLC acted as the exclusive placement agent on behalf of Allarity Therapeutics A/S.

U.S. Legal Counsel
Scott Bartel, Esq., Lewis Brisbois Bisgaard & Smith LLP, 633 West 5th Street, Suite 4000, Los Angeles, CA 90071. +1 (213) 250-1800

Certified Adviser
Svensk Kapitalmarknadsgranskning AB, Email: ca@skmg.se. Tel: +46 11 32 30 732

This information is information that Allarity A/S is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication on **August 23, 2021.**