Company Announcement

Grant of New Warrants and Resolutions on Existing Warrants

Hørsholm, Denmark (November 24, 2021) — Allarity Therapeutics A/S ("Allarity" or the "Company") today announced that the Board of Directors of Allarity has exercised the authorization granted by the shareholders at the Extraordinary General Meeting held on November 22, 2021, to issue new warrants. The Board has resolved to grant a total of 51,292,653 warrants as a part of a new incentive program for the Board of Directors, employees and consultants in Allarity. All warrants are issued free of charge and are issued to ensure alignment of interests between the Company's employees, management, Board of Directors, and shareholders as the Company completes its recapitalization, restructuring, and migration to the U.S. Nasdaq stock market.

The 51,292,653 warrants to employees, consultants and board members of the company are granted as follows:

- 46,608,675 warrants are granted to the employees of Company, including executive management, and a consultant
- 4,683,978 warrants are granted to members of the Board of Directors

Each warrant confers the right to subscribe for one share of nominal DKK 0.05 in Allarity Therapeutics A/S at the following exercise prices:

- For 38,807,413 warrants, the exercise price for each warrant is SEK 0.945 (Grant 1)
- For 7,801,262 warrants, the exercise price for each warrant is SEK 1.592 (Grant 2)
- For 4,683,978 warrants, the exercise price for each warrant is SEK 1.85 (Grant 3)

By application of the Black-Scholes formula, the aggregate fair value of the issued warrants subject to Grant 1, Grant 2 and Grant 3 can be calculated as USD $5,143,821, USD $1,034,037 and USD $620,849 (corresponding to DKK 34,172,459, DKK 6,869,520 and DKK 4,124,548), respectively.

Additional terms and conditions applicable to the issued warrants are set forth in appendix 14 to the articles of association of Allarity Therapeutics A/S, provided, however, that 38,807,413 warrants to the employees, including executive management, and consultant shall vest with 25% on the grant date and hereafter with 1/36 per month calculated from 7 July 2021, and that 4,683,978 warrants to the board members shall vest with 25% on the grant date and hereafter with 1/48 per month calculated from 24 November, 2021. A further 7,801,262 warrants shall be deemed fully vested at the time of issuance.

In addition to the above the Board of Directors has with regard to existing outstanding warrants resolved that

- With respect to 3,996,864 warrants issued on the terms and conditions set out in Appendix 8 to the articles of association, the Board of Directors has pursuant to clause 5 of Appendix 8 resolved that the warrants may be exercised in an extraordinary exercise window in the period 23 November – 8 December 2021. If these warrants are exercised fully, Allarity A/S will receive SEK 13,189,651 in cash proceeds and the warrants will be replaced with 79,937 Delaware Common Stock by applying an exchange ratio corresponding 3,996,864 divided by 50. In the event that these warrants are not exercised these warrants will lapse and become null and void.
- The board of directors has resolved that 4,287,381 existing warrants with an exercise price of SEK 2.20 per Share in connection with the Reorganization Exchange Agreement shall be converted into similar instruments of similar value in Allarity Therapeutics Inc.
- The Board of Directors has resolved that 1,980,000 existing warrants with an exercise price of SEK 1.41 per Share in connection with the Reorganization Exchange Agreement shall be converted into similar instruments of similar value in Allarity Therapeutics Inc.
- The Board of Directors has resolved that 1,409,555 existing warrants with an exercise price of SEK 2.42 per Share in connection with the Reorganization Exchange Agreement shall be converted into similar instruments of similar value in Allarity Therapeutics Inc.

About Allarity Therapeutics

Allarity Therapeutics A/S (Nasdaq First North Growth Market Stockholm: ALLR.ST) develops drugs for personalized treatment of cancer guided by its proprietary and highly validated companion diagnostic technology, the DRP® platform. The Company has a mature portfolio of five drug candidates, including: Stenoparib, a PARP inhibitor in Phase 2 development for ovarian cancer; Dovitinib, a pan-TKI under FDA NDA review for 3rd line renal cell carcinoma; IXEMPRA® (Ixabepilone), a microtubule inhibitor approved in the U.S. for the treatment of 2nd line metastatic breast cancer and in Phase 2 development, in Europe, for the treatment of the same indication; LiPlaCis®, a liposomal formulation of cisplatin in Phase 2 development for metastatic breast cancer; and 2X-111, a liposomal formulation of doxorubicin in Phase 2 development for metastatic breast cancer and/or glioblastoma multiforme (GBM). The LiPlaCis® and 2X-111 programs are partnered, via out-license, to Smerud Medical Research International AS. In 2021, Allarity sold the global rights to Irofulven, a DNA-damaging agent in Phase 2 for prostate cancer, back to Lantern Pharma, Inc. The Company maintains an R&D facility in Hoersholm, Denmark. For more information, please visit the company's website at www.Allarity.com

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, and only treating those patients with a sufficiently high DRP® score, the therapeutic response rate can be significantly increased. The DRP® method builds on the comparison of sensitive vs. resistant human cancer cell lines, including transcriptomic information from cell lines combined with clinical tumor biology filters and prior clinical trial outcomes. DRP® is based on messenger RNA from patient biopsies. The DRP® platform has proven its ability to provide a statistically significant prediction of the clinical outcome from drug treatment in cancer patients in 37 out of 47 clinical studies that were examined (both retrospective and prospective), including ongoing, prospective Phase 2 trials of Stenoparib and IXEMPRA®. The DRP® platform, which can be used in all cancer types and is patented for more than 70 anti-cancer drugs, has been extensively published in peer reviewed literature.

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Forward-Looking Statements
This announcement includes forward-looking statements that involve risks, uncertainties and other factors, many of which are outside of Allarity's control and which could cause actual results to differ materially from the results discussed in the forward-looking statements. Forward-looking statements include statements concerning Allarity's plans, objectives, goals, future events, performance and/or other information that is not historical information. All such forward-looking statements are expressly qualified by these cautionary statements and any other cautionary statements which may accompany the forward-looking statements. Allarity undertakes no obligation to publicly update or revise forward-looking statements to reflect subsequent events or circumstances after the date made, except as required by law.

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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 **November 24, 2021.**