Press Release

Allarity Therapeutics Provides Update on Pre-Clinical Testing of Stenoparib's Antiviral Activity Against New Variants of Coronavirus

-Current testing follows preceding pre-clinical tests indicating efficacy of the novel PARP inhibitor stenoparib against SARS-Cov-2, the virus which is the origin of the B.1.1.7 variant, B.1.351 variant, and other variants.

-Allarity Therapeutics is one of the leading companies worldwide developing a potential treatment for SARS-Cov-2 and the B1.1.7 and B.1.351 variants.

Hørsholm, Denmark (24 February 2021) – Allarity Therapeutics A/S ("Allarity" or the "Company") today announced an update related to the ongoing pre-clinical testing of the antiviral activity of its PARP inhibitor, stenoparib, against Coronavirus Variant B.1.1.7 ("British variant") and Variant B.1.351 ("South African variant"). The tests are being conducted by the Pathogen and Microbiome Institute at Northern Arizona University (NAU), a leading U.S. infectious disease test center.

The current and planned in-vitro studies, focusing on SARS-CoV-2 lineage B.1.1.7 and B.1.351, follow previous positive pre-clinical test results with stenoparib as a treatment of SARS-CoV-2 first announced on 26 August 2020, and since published in the peer-review journal mBio (mbio.asm.org) on 19 January 2021. The previously announced data showed that stenoparib inhibits SARS-CoV-2 as a single agent, and in addition that stenoparib, in combination with remdesivir, was also active in inhibiting the virus. The concentration of stenoparib required for virus inhibition was lower in the combination study with remdesivir than in the single agent study.

Since the B.1.1.7 virus variant initially was labelled "Variant of Concern 202012/01" by Public Health England (PHE), an agency of the UK Department of Health & Social Care, in a publication on 21 December 2020, it has spread rapidly within the UK, and has since been detected in all EU/EEA countries. The U.S. Centers for Disease Control and Prevention (CDC) has modeled a trajectory indicating that this variant will become predominant in the U.S. in March 2021. In South Africa, the B.1.351 variant of SARS-CoV-2 emerged independently of B.1.1.7. This variant shares some mutations with B.1.1.7. Cases attributed to this variant have been detected in multiple countries outside of South Africa, and this variant was reported in the U.S. at the end of January 2021.

The ongoing testing of stenoparib at the at the Pathogen and Microbiome Institute is part of the first steps of a potential therapeutic expansion of this drug, an orally administered phase 2 anticancer agent, to anti-viral applications. Stenoparib is one of very few drugs that have been reported, based on ongoing or completed pre-clinical tests, as a potential treatment for patients infected with SARS-Cov-2 or the B.1.1.7 and/or B.1.351 variants of Coronavirus. Allarity intends to continue to test stenoparib against various Coronavirus strains, beyond the current testing.

Steve Carchedi, CEO of the Company, said, "Allarity Therapeutics is committed to developing novel treatments that change the course of disease in areas of high unmet need. Our recent research and development work with stenoparib as a potential anti-viral treatment for COVID-19 is no exception. We are proud to be one of the very few companies leading development of a possible treatment for COVID-19 and for the B.1.1.7 and B.1.351

variants. We are also proud to continue our priority clinical development of stenoparib as a potential best-in-class treatment for ovarian cancer. ”

Steen Knudsen, Ph.D., Chief Scientific Officer of the Company, further noted, “We are optimistic that the additional anti-viral testing of stenoparib against the B.1.1.7 and B.1.351 variants will be as encouraging as previously seen with SARS-Cov-2 results. As new variants of Coronavirus become more and more prominent, the need will increase for potential treatments for the many that may still be and become infected during this pandemic.”

Allarity Therapeutics plans to advance stenoparib into human clinical trials as a potential therapy for COVID-19 and is working opportunistically on securing funding to advance such trials. In addition to investigating whether stenoparib has therapeutic potential as a possible treatment of SARS-CoV-2, including lineages B.1.1.7 and B.1.351, Allarity Therapeutics is also currently evaluating stenoparib for the treatment of advanced ovarian cancer in a Phase 2 clinical trial at the Dana-Farber Cancer Institute (Boston, MA U.S.A.) using a DRP® companion diagnostic to guide patient enrollment and improve therapeutic outcome. Stenoparib is a novel small molecule (oral), targeted inhibitor of Poly ADP-Ribose Polymerase (PARP), a key DNA damage repair enzyme active in cancer cells.

Allarity holds global, exclusive rights to stenoparib under an existing license with Eisai Co., Ltd. (Tokyo, Japan), in the fields of cancer therapy as well as anti-viral therapy.

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 in post-Phase 3 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; 2X-111, a liposomal formulation of doxorubicin under manufacturing for Phase 2 in breast cancer; and Irofulven, a DNA damaging agent in Phase 2 for prostate cancer.

About Northern Arizona University
Northern Arizona University is a higher-research institution providing exceptional educational opportunities in Arizona and beyond. NAU delivers a student-centered experience to its nearly 30,000 students in Flagstaff, statewide and online through rigorous academic programs in a supportive, inclusive and diverse environment. Dedicated, world-renowned faculty help ensure students achieve academic excellence, experience personal growth, have meaningful research opportunities and are positioned for personal and professional success.

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.

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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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Investor Contacts:
InvestorRelations@allarity.com

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

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 24 February 2021.**