QBIOTICS GROUP SHAREHOLDER UPDATE

August 2024

KEY POINTS AND HIGHLIGHTS

- Stephen Doyle appointed as Chief Executive Officer.
- Human Clinical pilot Phase II trial in Soft Tissue Sarcoma completed recruitment.
- Patient recruitment for our Human Clinical Phase II trial in head and neck cancer (H&NC) is ongoing at five sites in UK and two sites in Australia – approaching the 50% mark in patient recruitment.
- First-in-human Phase I wound healing safety trial with EBC-1013 open for recruitment at two sites.
- $8.63m in R&D tax incentive refund received under the Australian Federal Government's R&D Tax Incentive Scheme.
- Cash at bank as of 30 June 2024 stands at AU$43.5m.

Dear Shareholders,

We are pleased to provide the following update on the key activities of QBiotics Group Limited (QBiotics), following on from our May shareholder update.

Appointment of CEO

Stephen Doyle, who has more than 24 years' of experience in the global pharmaceutical industry, including leadership positions with Sanofi Aventis and Boehringer Ingelheim, was appointed Chief Executive Officer following a global search carried out with Coulter Partners. Stephen was most recently Chief Business Officer at Aslan Pharmaceuticals in Singapore.

Stephen brings considerable knowledge and experience in leading negotiations for pharmaceutical assets across a range of deal types, licensing deals across multiple geographies and commercialisation strategies. He also has extensive experience of public markets.

We are all looking forward to welcoming Stephen on board and believe that his strategic track-record, which has led to several successful licensing and commercialisation outcomes, will make him a strong leader of the Company as we continue our ambitious development plans.

Stephen will commence with QBiotics on 2 September 2024.

Human Oncology (tigilanol tiglate)

Clinical trial – soft tissue sarcoma

We were pleased to announce in June that our Human Clinical pilot Phase II trial in Soft Tissue Sarcoma (STS) (QB46C-H07) completed recruitment with the final patient receiving tigilanol tiglate and completing their 28 day follow up. The clinical trial is being conducted at Memorial Sloan Kettering Cancer Center in New York, US with Edmund Barlett, MD as Principal Investigator. The primary endpoint of the trial is the assessment of drug efficacy of tigilanol tiglate in patients with a range of advanced and /or metastatic STS.

We anticipate being able to formally report results of the trial in Q1 CY2025. However, prior to this, the clinical investigators in the trial plan to present preliminary observations to their peers at the European

Society for Medical Oncology conference in September 2024 and at the Connective Tissue Oncology Society Annual Meeting in November 2024.

Clinical trial – head & neck cancer

Patient recruitment for our Human Clinical Phase II trial in Head and Neck Cancer (H&NC) (QB46C-H08) is progressing. The trial is now recruiting for patients at five sites in the United Kingdom and two sites in Australia. We are pleased to be approaching the 50% mark in patient recruitment.

Compassionate use

Following receipt of tigilanol tiglate's compassionate use authorisation in France in March this year, 7 patients have been treated to date for a range of tumour types.

Partnering of tigilanol tiglate

We continue to engage with potential target companies for bringing tigilanol tiglate into the later stages of development and for the registration and full commercialisation of tigilanol tiglate.

To support our partnering efforts, Dr Victoria Gordon presented at the 10th Annual SACHS Oncology Innovation Forum 2024 (SACHS) and the BIO International Convention 2024 (BIO), both held in the USA during May and June. We also attended the 2024 American Society of Clinical Oncology Annual Meeting in Chicago, USA (ASCO). These key industry conferences provided the opportunity to (a) meet with new potential partners and investors to showcase tigilanol tiglate and (b) engage in more detailed follow up discussions with existing contacts. As mentioned above, the investigators in our STS trial will present preliminary observations at the European Society for Medical Oncology Annual Conference in September 2024 and at the Connective Tissue Oncology Society Annual Meeting in November 2024. Such presentations are key to engaging the interest of third party pharmaceutical and biotech companies worldwide.

Wound Healing (EBC-1013)

Our wound healing programme (EBC-1013) is progressing with the first-in-human Phase I trial opened for recruitment. The clinical trial is a placebo-controlled, multi-centre, Phase I dose escalation trial to assess the safety and tolerability of EBC-1013 in patients with Venous Leg Ulcers (VLUs). The trial is currently open for recruitment at two sites in Australia.

The Primary Objective of the trial is to assess the overall safety and local tolerability of a single topical application of escalating doses of EBC-1013 gel in patients with VLUs.

Secondary and Exploratory Objectives include evaluation of systemic exposure resulting from a single application of escalating doses of EBC-1013, determination of the Anticipated Therapeutic Dose range for subsequent studies, and evaluation of the trajectory of the wound bed and healing response, in addition to assessment of the patient's quality of life.

Corporate update

Conference presentations

In addition to our attendance at ASCO and presentations at SACHS and BIO International held in the USA during May and June, we were pleased to present at the 18th Bioshares Biotech Summit conference in Perth in July where Ebru Davidson, General Counsel, provided a Company update to investors which was well received.

QBiotics Senior Team

Dr Marissa Lim, Chief Medical Officer, has concluded her contract with the Company and her responsibilities have been in part transitioned to key members of our clinical team and, in part, outsourced. We extend our sincere thanks to Dr. Lim for her considerable effort and wish her every success with her future endeavours.

Financial update

The 30 June 2024 Annual Report will be lodged with the Australian Securities and Investments Commission (ASIC) and made available to shareholders shortly.

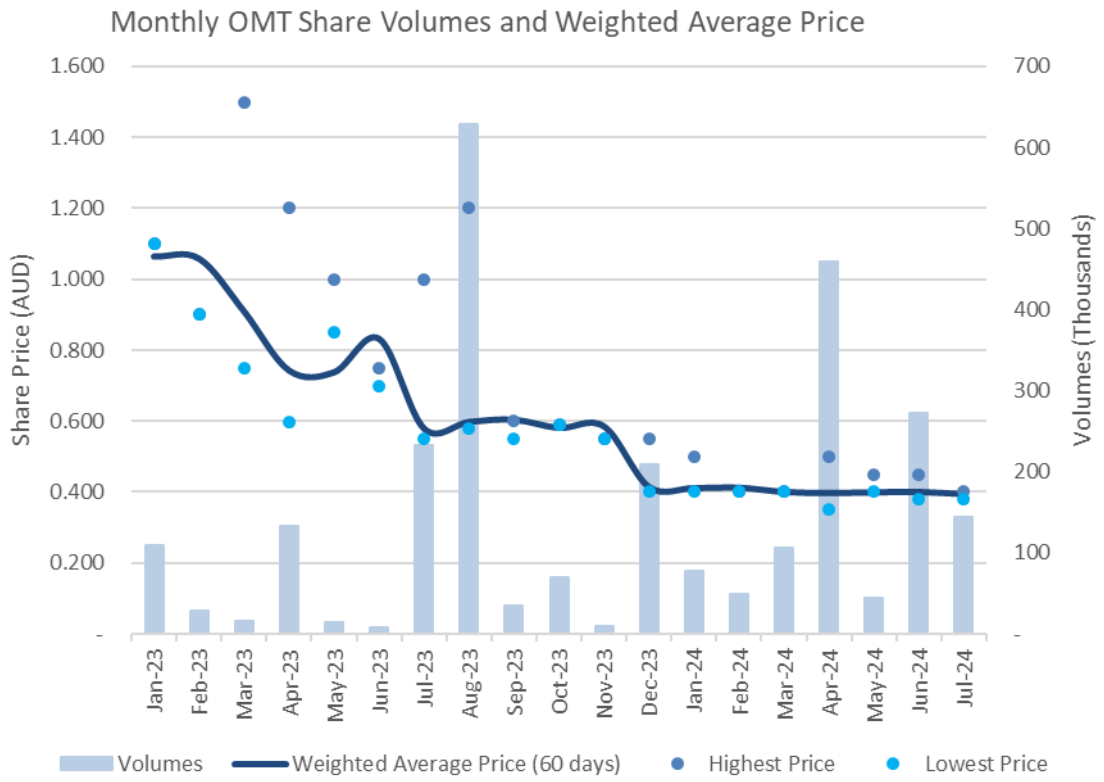
Close monitoring of our financial position remains a priority, and we continue to look for and implement ways in which we can effect significant cash conservation going forward.

As of 30 June 2024, cash at bank was $43.5 million, with an average cash burn rate for the year 1 July 2023 to 30 June 2024 of $3.9 million per quarter (2023: $6.3 million per quarter).

QBiotics' application for the Australian Federal Government's R&D tax incentives (43.5% refundable as cash) was successful with $8.6 million cash received in June, related to eligible R&D expenditure incurred during the year ended 30 June 2023.

Buying and selling QBiotics shares

A summary of the recent Off Market Trading data can be found in the graph below.



If you have any questions, or require clarification on any of the above, please contact the Company. Shareholder enquires should be directed to QBiotics Group Shareholder Relations Manager, Ken Pointon on (07) 3870 8933 or emailing ken.pointon@qbiotics.com. Shareholders are encouraged to view the 'Announcements' page of the Company's website for the latest Company announcements.

Thank you for your ongoing support which underpins our vision, our drive and all our achievements. As always, it is a pleasure to share the Company's journey with you.

Yours sincerely,

Dr Sue Foden
Executive Chair

Dr Victoria Gordon
Executive Director
Strategic Alliances & Investor Relations
Co-Founder

DISCLAIMER

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This shareholder update may contain forward-looking statements concerning the Company's business, operations, financial performance and condition as well as the Company's plans, objectives and expectations for its business, operations, financial performance and condition. Any statements that are not of historical facts may be deemed to be forward-looking statements. These statements are based on current expectations, estimates, forecasts and projections about the Company's business and the industry in which the Company operates and management's beliefs and assumptions. These forward-looking statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties, assumptions and other factors that are in some cases beyond the Company's control. Unless required by law, the Company does not intend to publicly update or revise any forward-looking statements to reflect new information or future events or otherwise. As a result, any or all of the Company's forward-looking statements in this update may eventuate to be inaccurate.