

ASX ANNOUNCEMENT

ASX: 1AI | 19 December 2025

AI-enabled pharmaceutical company **Algorae Pharmaceuticals Ltd (ASX: 1AI)** ("Algorae" or "the Company") refers to its non-renounceable, pro-rata entitlement offer of one (1) new option for every five (5) shares held by eligible shareholders ("**Loyalty Options**"), at an issue price of \$0.001 per new option, to raise approximately \$337,752 (before costs) ("**Loyalty Options Offer**"). The Loyalty Options Offer closed at 5.00pm (AEDT) on 15 December 2025.

The Company has received applications under the Loyalty Options Offer for 199,013,513 Loyalty Options at the issue price of \$0.001 per Loyalty Option, raising gross proceeds of \$199,014 (before costs). The Loyalty Options are scheduled to be issued on or about 12.00pm (AEDT) Monday, 22 December 2025.

Any Loyalty Options not taken up under the Loyalty Options Offer form the shortfall ("Shortfall"). The Prospectus also includes a Shortfall Offer, which is in the process of being allocated at the discretion of the Company, in consultation with the Lead Manager, and will be undertaken within three months of the Closing Date.

Funds raised from the issue of Loyalty Options under the Loyalty Options Offer and Shortfall Offer will be applied towards the costs of the offer and general working capital.

Results of Loyalty Options Offer & Shortfall Offer

Loyalty Options Offer & Shortfall Offer	Number
Number of Loyalty Options available under the Loyalty Options Offer	337,751,456
Number of Loyalty Options subscribed for under the Loyalty Options Offer (excluding the Shortfall Offer)	199,013,513
Number of Loyalty Options available under the Shortfall Offer	138,737,943

Authorised for release by the Board of Directors of Algorae Pharmaceuticals Ltd

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Corporate and Media Enquiries

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Executive Chairman

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About Algorae Pharmaceuticals

Algorae Pharmaceuticals (ASX: 1AI) is an AI-enabled pharmaceutical company with a dual focus on drug-combination discovery and pharmaceutical commercialisation. The Company's proprietary AI platform, AlgoraeOS, applies machine learning and deep neural networks to identify synergistic drug combinations and guide dose selection for preclinical development. In parallel, Algorae operates a commercialisation business, AlgoraeRx, that sources, licenses and supplies generic and specialty medicines in Australia and New Zealand through partnered manufacturers and established distribution channels. Algorae collaborates with leading research institutions and industry partners to translate AI-predicted therapies and to expand patient access to high-quality medicines.

Algorae is listed and publicly traded on the Australian Stock Exchange (ASX: 1AI), providing investors an opportunity to participate in the Company's growth.

For more information visit www.algoraepharma.com or follow @algoraepharma on X or LinkedIn.

Forward-looking Statements

This document may contain certain forward-looking statements, relating to Algorae's business, which can be identified by the use of forward-looking terminology such as "promising," "probable," "plans," "anticipated," "will," "project," "believe," "forecast," "expected," "estimated," "targeting," "aiming," "set to," "potential," "seeking to," "goal," "could provide," "intends," "is being developed," "could be," "on track," or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA's and other health authorities' requirements regarding any one or more product candidates, nor can there be any assurance that such product candidates will be approved by any health authorities for sale in any market or that they will reach any particular level of sales.

In particular, management's expectations regarding the approval and commercialisation of the product candidates could be affected by, among other things, unexpected clinical trial results, including additional analysis of existing clinical data, and new clinical data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, or expected. Algorae is providing this information and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.