ALGORAE PHARMACEUTICALS

ASX ANNOUNCEMENT
ASX: 1AI | 2 July 2026

NSW Health Public Hospital Supply Contract: Supplementary Announcement

AI-enabled pharmaceutical company **Algorae Pharmaceuticals Ltd (ASX: 1AI)** ("Algorae" or "the Company") provides the following supplementary and clarifying announcement in relation to its announcement dated 1 July 2026 titled "Algorae Awarded NSW Health Public Hospital Supply Contract; Rollout Underway".

Nature of the arrangement and customer

Through its wholly owned division AlgoraeRx, Algorae has been appointed a supplier under a NSW Health standing offer arrangement (the Arrangement) for an awarded pharmaceutical product, which is commercial-in-confidence at this time. The counterparty is Health Administration Corporation, a statutory corporation under the Health Administration Act 1982 (NSW), with procurement administered by HealthShare NSW. Appointment followed a competitive tender in which the Company satisfied NSW Health's supplier, quality and probity requirements. The Company is one of several suppliers, and NSW Health appoint multiple parties to cover the tender requirements.

Under the Arrangement, NSW Health "Eligible Customers" (such as local health districts and public hospitals) may place purchase orders for the awarded product at prices set out in an agreed schedule. The Arrangement is not exclusive, and Eligible Customers are under no obligation to acquire any minimum volumes.

Term

The Arrangement has an initial term of three years, with two optional one-year extension periods (3+1+1 years).

Products, rollout and material conditions

The awarded product is a pharmaceutical product supplied to NSW public hospitals and other Eligible Customers. Its specific identity is commercial-in-confidence and cannot be disclosed at this time. Onboarding and rollout are underway, with first supply under purchase orders expected in Q4 2026. There are no conditions precedent to the rollout.

Significance and financial impact

The Company regards the award as strategically significant, establishing AlgoraeRx as an approved supplier to NSW public hospitals, one of Australia's largest healthcare procurement networks, and providing the ability to receive purchase orders over the term.

While strategically significant, the Arrangement does not set out minimum volume or spend requirements, and the Company is therefore not able to quantify the financial impact of the award at this time. The Company does not expect the award, of itself, to have a material impact on its revenue in the current calendar year; however, it is a material step in the development of the Company's pathway to revenue.

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Revenue will depend on the volume and value of purchase orders received and as stated in the Original Announcement, will be recognised within the Company's total product revenue and reported through its periodic reporting (including quarterly cash flow reports).

The Company will make further disclosure in accordance with its continuous disclosure obligations if and when it receives orders that are, individually or in aggregate, material.

Confidentiality and continuous disclosure

The specific pricing and volume information under the Arrangement are commercial-in-confidence and cannot be disclosed. Consistent with section 4.22 of ASX Guidance Note 8, this confidentiality does not derogate from the Company's obligations under Listing Rule 3.1 and section 674 of the Corporations Act 2001 (Cth). Given the absence of any committed volume or spend, the confidential pricing and volume terms do not of themselves enable the financial impact of the award to be quantified.

About Algorae Pharmaceuticals

Algorae Pharmaceuticals Ltd (ASX: 1AI) is an Australian AI-enabled pharmaceutical company pursuing a dual-track strategy that combines AI-driven drug discovery with pharmaceutical commercialisation.

Algorae's discovery business is built around AlgoraeOS, a proprietary AI platform that applies machine learning and deep neural networks to predict synergistic drug combinations. AlgoraeOS was developed in collaboration with the UNSW AI Institute, with support from CSIRO Data61. Its predictions have been independently validated by the Peter MacCallum Cancer Centre. The platform underpins a growing pipeline of AI-generated drug-combination candidates across oncology, neurodegenerative and other complex diseases.

Through its wholly owned commercial division, AlgoraeRx, the Company brings specialty and generic medicines to market across Australia and New Zealand under distribution and supply partnerships, building a revenue base that complements its longer-term discovery pipeline.

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

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

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protect intellectual property; commercial, distribution and supply arrangements; competition; funding and access to capital; pricing and reimbursement pressures; counterparty and partnership risks; and general economic, market and operating conditions.

In particular, statements regarding the approval and commercialisation of the Company's product candidates are subject to additional risks and uncertainties, including: unexpected clinical trial results, including additional analysis of existing data and new clinical data; unexpected regulatory actions or delays, or government regulation generally; and the Company's ability to obtain or maintain patent or other proprietary intellectual property protection. There can be no assurance that any existing or future regulatory filings will satisfy the requirements of the TGA, FDA or other health authorities in respect of any product candidate, that any product candidate will be approved for sale in any market, or that any product candidate will reach any particular level of sales.

Forward-looking statements are not guarantees of future performance and should not be relied upon as such. Past performance is not an indicator or guarantee of future performance. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those anticipated, believed, estimated or expected. To the maximum extent permitted by law, the Company and its related bodies corporate, directors, officers, employees and advisers make no representation or warranty (express or implied) as to the accuracy, completeness or likelihood of fulfilment of any forward-looking statement, and disclaim any responsibility for their accuracy or completeness. Nothing in this document constitutes financial product, investment, legal or tax advice, nor an offer of securities or a recommendation to acquire or dispose of any securities.

Except as required by law or the ASX Listing Rules, the Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or developments, or otherwise.