

Algorae Engages HL Pharma to Warehouse Cannabinoid Compounds for Research Programs and Development of AlgoraeOS AI Platform – Addendum

Melbourne, Australia, 5 January 2024: Algorae Pharmaceuticals Limited ('Algorae' or the 'Company') (ASX code: 1AI) today provides updated information regarding the supply agreement executed with HL Pharma to import and warehouse company-owned cannabinoids and other compounds for distribution to its research partners as required.

HL Pharma is an Australian company registered with the Victorian Department of Health, specialising in the sourcing, supply and distribution of products to hospitals, pharmacies, doctors, and pharmaceutical wholesalers. HL Pharma holds licenses to import and supply various compounds, including schedule 2 to schedule 9 substances.

Under the agreement with Algorae, HL Pharma will be responsible for the importation, storage, supply, and distribution of various cannabinoid compounds to the research partners of Algorae, while ensuring compliance with Good Distribution Practice (GDP). The initial term of engagement is three years, however either party may request a review and amendment of the agreement before the scheduled 3-year review period.

The first products ordered comprise a range of under-studied alternative cannabinoids (not CBD or THC) for research in a range of medical indications either alone or in combination with other pharmaceutical compounds. The additional cannabinoids will be integrated into existing programs being undertaken by our research partners. Algorae has partnered with La Trobe University and Monash University to undertake an extensive range of pre-clinical studies to further assess the Company's cannabinoid-based combination drug candidates, known as AI-116 and AI-168.

These candidates target dementia and cardiovascular disease respectively and are being compared to existing commercial therapeutics to establish a preliminary basis for economic potential.

This announcement has been approved by the Board of Directors of Algorae Pharmaceuticals Limited.

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For more information, please visit www.algoraepharma.com

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About Algorae Pharmaceuticals

Algorae is a pharmaceutical development company focused on discovering and developing novel treatments for conditions with unmet medical needs. Algorae has a highly proficient internal scientific team and academic collaborations with esteemed universities that assist the Company to achieve its goals. Existing drug candidates include NTCELL for Parkinson's disease, the AI-116 combination drug candidate for dementia and AI-168 for cardiovascular disease. Multiple other drug candidates are under investigation. Algorae will increasingly use artificial intelligence to assist in its scientific and commercial endeavours, including by using AI to generate drug targets. The Company is listed and publicly traded on the Australian Stock Exchange (ASX: 1AI) and in the United States (OTCQB: LVCLY).

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.