

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Appili Therapeutics Inc. (the “**Company**”)
#21-1344 Summer Street
Halifax, NS B3H 0A8

2. Date of Material Change

September 22, 2023.

3. News Release

A news release dated September 25, 2023, was disseminated through the facilities of Business Wire and subsequently filed on the System for Electronic Data Analysis and Retrieval (SEDAR+) at www.sedarplus.ca.

4. Summary of Material Change

The Company announced that the U.S. Food and Drug Administration (“**FDA**”) has approved LIKMEZ™ (ATI-1501) Metronidazole Oral suspension, and has approved LIKMEZ as the brand name for Metronidazole Oral Suspension. LIKMEZ is a trademark of Saptalis Pharmaceuticals, LLC and is currently the only liquid oral suspension of metronidazole approved in the United States.

5. Full Description of Material Change

(a) Full Description of Material Change

The Company’s manufacturing and commercialization partner, Saptalis Pharmaceuticals, LLC (“**Saptalis**”) received approval from the FDA for Metronidazole Oral Suspension 500mg/5mL (ATI-1501). ATI-1501, Appili’s liquid oral reformulation of the antibiotic metronidazole, has been licensed to Saptalis for commercialization in the United States, and other selected territories. The FDA also approved LIKMEZ™ as the brand name for ATI-1501.

Metronidazole is a widely used frontline oral treatment with over 10 million prescriptions written in the United States every year to help treat parasitic and anaerobic bacterial infections. The current tablet form of metronidazole is the only other approved oral form on the U.S. market, but its bitter taste and lack of appropriate dosage forms for patients with difficulty swallowing often presents treatment compliance challenges.

Appili expects to receive milestone payments and royalties from Saptalis based on this FDA approval and Saptalis’ commercialization plans.

(b) Disclosure for Restructuring Transaction

Not applicable

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

Kenneth Howling; Acting Chief Financial Officer of the Company, is knowledgeable about this material change report and may be contacted at (902) 442-4655 or at khowling@appilitherapeutics.com.

9. Date of Report

September 27, 2023.