

**FORM 51-102F3
MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102**

1. Name and Address of Company

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

2. Date of Material Change

December 17, 2025.

3. News Release

News release attached as Schedule “A” was disseminated on December 18, 2025 through Business Wire.

4. Summary of Material Change

On December 17, 2025, the Company completed the first tranche of its previously announced non-brokered private placement offering of 7,100,000 units of the Company (each, a “**Unit**” and collectively, the “**Units**”) at a price of C\$0.025 per Unit for gross proceeds of C\$177,500 (the “**Private Placement**”).

In connection with the first tranche closing, the Company also paid certain finders an aggregate of C\$14,200 and issued an aggregate of 568,000 broker warrants to purchase Common Shares.

Each Unit issued pursuant to the Private Placement consists of one Class A common share of the Company (a “**Common Share**”) and one-half of one Common Share purchase warrant of the Company.

5. Full Description of Material Change

See news release attached as Schedule “A”.

5.2 Disclosure for Restructuring Transaction

Not applicable.

6. Reliance on subsection 7.1(2) 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

December 29, 2025.

SCHEDULE "A"

Appili Therapeutics Announces Closing of First Tranche of Non-Brokered Private Placement

NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO U.S. WIRE SERVICES

HALIFAX, Nova Scotia - December 18, 2025 - Appili Therapeutics Inc. (TSX: APLI; OTCPink: APLIF) (the "**Company**" or "**Appili**"), a biopharmaceutical company focused on drug development for infectious diseases and biodefense, is pleased to announce that it has closed the first tranche of its previously announced non-brokered private placement for aggregate gross proceeds of C\$177,500 (the "**Private Placement**").

The Private Placement consisted of the issuance and sale of 7,100,000 units of the Company (the "**Units**") at a price of C\$0.025 per Unit. Each Unit issued pursuant to the Private Placement consists of one Class A common share of the Company (a "**Common Share**") and one-half of one Common Share purchase warrant of the Company (each whole warrant, a "**Warrant**"). Subject to receipt of shareholder approval, each Warrant will entitle the holder to acquire one Common Share at a price of C\$0.05 per Common Share for 36 months from the closing date of the Private Placement (the "**Closing Date**").

Pursuant to the requirements of the Toronto Stock Exchange (the "**TSX**"), the Warrants will not be exercisable until such time as the Company obtains requisite shareholder approval (which for certainty will exclude the votes of holders of Warrants), such approval to be sought no later than the next Annual General Meeting of the Company's shareholders. If the Warrants do not receive shareholder approval, the Warrants will not be exercisable.

The Company intends to use the net proceeds from the Private Placement primarily for working capital purposes and to fund the development of certain product candidates of the Company.

In connection with the first tranche closing, the Company has also paid certain finders an aggregate of C\$14,200 and issued an aggregate of 568,000 broker warrants to purchase Common Shares (the "**Broker Warrants**").

Subject to receipt of shareholder approval, each Broker Warrant will entitle the holder to acquire one Common Share at a price of not less than C\$0.02834 per Common Share for 24 months from the Closing Date. Pursuant to the requirements of the TSX, the Broker Warrants will not be exercisable until such time as the Company obtains requisite shareholder approval (which for certainty will exclude the votes of holders of Broker Warrants), such approval to be sought no later than the next Annual General Meeting of the Company's shareholders. If the Broker Warrants do not receive shareholder approval, the Broker Warrants will not be exercisable.

The Company plans to close a secondary tranche of the Private Placement in December, 2025.

All securities issued pursuant to the Private Placement will be subject to a statutory hold period of four months and one day from the date of issuance.

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About Appili Therapeutics

Appili Therapeutics is a biopharmaceutical company that is purposefully built, portfolio-driven, and people-focused to fulfill its mission of solving life-threatening infections. By systematically identifying urgent infections with unmet needs, Appili's goal is to strategically develop a pipeline of novel therapies to prevent deaths and improve lives. The Company is currently advancing a diverse range of anti-infectives, including

an FDA-approved ready-made suspension of metronidazole for the treatment of antimicrobial resistant infections, a vaccine candidate to prevent tularemia, a serious biological weapon threat, and a topical antiparasitic for the treatment of cutaneous leishmaniasis, a disfiguring disease. Led by a proven management team, Appili is at the center of the global fight against infection. For more information, visit www.AppiliTherapeutics.com.

Forward-Looking Information

This news release contains “forward-looking information” within the meaning of applicable securities laws. Forward-looking information contained in this press release may be identified by the use of words such as, “may”, “would”, “could”, “will”, “likely”, “expect”, “anticipate”, “believe”, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook” and other similar expressions. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors relevant in the circumstances, including assumptions in respect of current and future market conditions, the current and future regulatory environment, and the availability of licenses, approvals and permits.

Forward-looking statements in this news release include, but are not limited to: statements with respect to the use of proceeds, intended closing of the second tranche of the Private Placement and when shareholder approval of the Warrants and Broker Warrants will be sought. Actual results and developments may differ materially from those contemplated by these statements. Such forward-looking statements are based on certain assumptions of the Company’s management, including timing of certain events related to the Private Placement. While Appili considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect.

Forward-looking information is subject to a variety of risks and uncertainties that could cause actual events or results to differ materially from those projected in the forward-looking information. Such risks and uncertainties include, but are not limited to, risks relating to: (i) ability to close a second tranche of the Private Placement and the timing thereof; and (ii) the risk factors listed in the annual information form of the Company dated June 25, 2025 and other important factors in the Appili’s other filings with the Canadian securities regulators on SEDAR+. Consequently, the reader is cautioned not to place undue reliance on the forward-looking statements and information contained in this press release.

The statements in this press release are made as of the date of this release. Appili disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

No securities regulatory authority has either approved or disapproved of the contents of this press release.

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