NEXALIS THERAPEUTICS

6 July 2026

ASX: NX1

UPDATE ON FUNDING FACILITY AND CLINICAL PROGRAM

Melbourne, Australia – Nexalis Therapeutics Ltd ("**NX1**" or "the **Company**") provides the following update on its funding facility and clinical trial program.

Key Points/ Highlights;

- **Negotiations with potential funder, Point8 Capital Pty Ltd have ceased** after the Company was unable to progress the process to a formal funding agreement.
- **IRX-616a Phase 1 clinical trial completed**, with results exceeding expectations and no Serious Adverse Events reported.
- **IRX-616a Phase 1 results have confirmed safety and tolerability in healthy volunteers**, while providing valuable dose-ranging insights for future patient studies.
- **The Company is currently assessing clinical development priorities** with a view to determining a revised clinical development plan and timeline for its portfolio of drug candidates.
- **Company received $490k in Research & Development Tax Incentive ("RDTI") proceeds** following the lodgement of its 2025 income tax return.

Point8 Capital Pty Ltd ("Point8") funding arrangements update

On 28 May 2026, the Company announced that Linlithgow Family Office Pty Ltd ("**LFO**") had issued notice under its debt funding facility agreement ('**LFO Facility**") that it had permanently cancelled the remaining available commitment and would not be accepting further drawdown requests.

The 28 May 2026 announcement also advised the Company had signed a binding Letter of Intent with Point8 Capital Pty Ltd ("**Point8**") for a new funding facility to replace the LFO Facility. Unfortunately, despite meaningful engagement by both parties, the Company has been unable to progress negotiations to a formal agreement and has now formally withdrawn from the process.

While NX1 will continue to work towards identifying and securing suitable alternative funding solutions, there are presently no meaningful discussions underway in that regard. Further updates will be provided as opportunities develop.

LFO Facility update

Since inception of the LFO Facility, a total of $2.4 million of drawdown requests have been submitted, of which $0.8 million of funding had been received by the Company prior to cancellation of the funding facility.

As previously stated, the Company is firmly of the view that LFO is obliged to honour the $1.6m of eligible funding requests which were outstanding at the time the facility was withdrawn. The Company has contacted LFO with a resolution proposal with a view to concluding the LFO Facility arrangements in a satisfactory manner. Further updates will be provided as developments occur.

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IRX-616a Update

The IRX-616a Phase 1 trial is now complete, and the Company is delighted to report that the results have exceeded expectations with no Serious Adverse Events ("**SAE**") reported.

The Phase 1 data has confirmed the safety and tolerability of the drug candidate in healthy volunteers and provided dose ranging insights that can be applied to the patient population for the purposes of designing the next stage of the clinical development program.

The suspension of the IRX-616a Phase 1 Study Order with iNGENū CRO Pty Ltd ("**iNGENū**") (discussed below) will delay completion of the formal Clinical Study Report ("**CSR**"). Fortunately, management have access to sufficient data and intelligence from the trial to allow for Phase 2 trial design planning to progress without delay.

Clinical Development Plan Update

Following the cancellation of the LFO Facility's funding commitment, the Company was forced to provide written notice to iNGENū temporarily suspending the current study orders for IRX-211 and IRX-616a.

While this suspension remains in place, the Company is considering its options in relation to the further progression of its clinical development program. As advised above, while there remains considerable uncertainty as to the future funding options available to the Company, management is presently focussed on evaluating how best to progress each development asset once funding (in whatever form) is available, including

1) Completing a detailed review of the current state of the IRX-211 Phase 2 trial to determine the root cause of the apparent recent lack of progress in patient recruitment and screening. It is expected that this review will include a careful assessment of patient recruitment processes and limitations across different sites with a view to determining how to progress the trial in a more timely and cost effective manner. Consideration will also be given to the need to amend the IRX-211 Phase 2 protocol with a view to potentially reframing the patient inclusion and exclusion criteria and adjusting the trial design should this prove necessary or prudent.

2) Development of the Phase 2 trial design for IRX-616a with a view to adopting a more flexible and scaled approach (compared to the IRX-211 large scale, holistic trial design) which may include a cost-effective proof of concept study to demonstrate the therapeutic application and efficacy of IRX616a in the patient population as a preliminary step.

3) SRX-25, our oral clinical program remains in the planning phase. The intent is to finalise the trial design with a view to conducting a Phase 1 in Australia. The plan is to achieve this without diverting time, attention and available financial resources away from the Phase 2 ready drug candidates.

A further update will be provided as the above processes are completed.

2025 RDTI proceeds

The Company recently received RDTI proceeds amounting to $490k following the processing of its 2025 income tax return.

The Company will announce further updates in due course.

Authorised for release by the Board of Directors.

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ABOUT NEXALIS THERAPEUTICS LTD (ASX: NX1)

Nexalis Therapeutics Ltd is an Australian Clinical Stage Drug Development Company that is developing rapid onset therapies to address unmet medical needs in pain management and mental health sectors. The Company is currently focused on the development of IRX-211 to treat Breakthrough Cancer Pain ('**BTcP**'), IRX-616a to treat Panic Disorder ('**PD**') and SRX-25 for the treatment of Treatment-Resistant Depression ('**TRD**').

The overarching goal is to pursue U.S. FDA approval and registration using rapid and cost-effective regulatory pathways, such as 505(b)(2).

There is a significant economic opportunity for NX1 and the Company's shareholders, with the clinical indications under investigation carefully selected in consultation with regulatory authorities. Bringing new approved medications to market will address critical gaps whereby there's currently mismatched treatment options that can carry dependency concerns.