



Appili Therapeutics Announces Receipt from NIAID of a Notice of Termination for Convenience on the Contract for the VXV-01 Program

HALIFAX, Nova Scotia, July 03, 2026 -- Appili Therapeutics Inc. (TSX: APLI; OTCPink: APLIF) (the "Company" or "Appili"), a biopharmaceutical company focused on drug development for infectious diseases today announced that it has received a Notice of Termination for Convenience from the National Institute of Allergy and Infectious Diseases ("NIAID"), part of the National Institutes of Health ("NIH"), in connection with the Company's contract supporting development of the VXV-01 fungal vaccine candidate.

The notice relates to contract number 75N93025C00033, which was [awarded in October 2025](#). The five-year contract consists of a base period and twelve option periods, of which a 22-month base period of performance totalling US\$3.6 million had been awarded. Appili is currently assessing the scope and potential implications of this notice.

The Company remains focused on maximizing value from ATI-1801, its Priority Review Voucher ("PRV") eligible program targeting cutaneous leishmaniasis. As a late-stage asset with a well-defined development pathway, ATI-1801 represents a key opportunity for both near-term value creation and potential PRV monetization. The Company is actively pursuing discussions to support the next stage of development and advance the program towards the clinic.

Appili continues to benefit from its commercial portfolio through royalty revenue generated by LIKMEZ®, reinforcing its commitment to building sustainable revenue. The Company continues to evaluate strategic collaborations and non-dilutive funding opportunities that leverage its infectious disease expertise.

Update on Non-dilutive Funding Proposals

Appili continues to pursue non-dilutive funding to support its infectious disease and biodefense pipeline. The Company has been awarded more than US\$75 million in cumulative government funding since inception and remains actively engaged in additional non-dilutive funding proposals.

Management believes this focused strategy positions the Company to efficiently deploy capital while advancing opportunities capable of generating meaningful long-term shareholder value. Appili remains committed to its mission of developing and commercializing products that address important unmet needs in infectious diseases while maintaining a disciplined approach to capital allocation.

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 Statements

This news release contains "forward-looking statements", including with respect to the potential that Appili will receive government awards and / or contracts related to its proposal submissions, further anticipated milestones and the timing thereof, the Company's development plans and timelines with respect to ATI-1801, the timing of any milestone and/or royalty payments in respect of LIKMEZ®, the Company's expectations of PRV eligibility for ATI-1801 and the Company's expectations with respect to its ability to operate as a going concern and satisfy its ongoing working capital requirements. Wherever possible, words such as "may," "would," "could," "should," "will," "anticipate," "believe," "plan," "expect," "intend," "estimate," "potential for" and similar expressions have been used to identify these forward-looking statements. These forward-looking statements reflect the current expectations of the Company's management for future growth, results of operations, performance and business prospects and opportunities and involve significant known and unknown risks, uncertainties and assumptions, including, without limitation, the risk that the termination notice is final and the Company is not be able to access any additional funding from NIAID, (ii) the risk that that Company may not secure any government funding in respect of any proposal submitted prior to the date hereof, (iii) ii) risks relating to the ability of the Company to repay its outstanding loans as and when they become due or, alternatively, the ability of the Company to secure extensions to the maturity date thereof, and (iv) those listed in the annual information form of the Company dated June 26, 2026, and the other filings made by the Company with the Canadian securities regulatory authorities (which may be viewed at www.sedarplus.ca). Should one or more of these risks or uncertainties materialize or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this news release. These factors should be considered carefully, and prospective investors should not place undue reliance on the forward-looking statements. The Company disclaims any intention or obligation to revise forward-looking statements whether as a result of new information, future developments or otherwise, except as required

by law.

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