

ASX ANNOUNCEMENT**ASX: 1AI** | 29 June 2026**Algorae Named Healthcare and Life Sciences Launch Partner for Sovereign AI Infrastructure (SAll) Initiative****Highlights**

- Algorae has been named a foundation participant and healthcare and life sciences launch partner in the new Sovereign AI Infrastructure (SAll) initiative, led by AgenticScale.ai and built on NVIDIA-accelerated technology.
- As launch partner, Algorae will be among the first organisations to apply SAll's secure, sovereign AI infrastructure, positioning healthcare and life sciences as a flagship use case for the initiative.
- Algorae brings an established AI drug discovery capability, developed with the UNSW AI Institute and CSIRO Data61, and its predictions independently validated by the Peter MacCallum Cancer Centre, which it intends to apply across its drug discovery and development programs using SAll infrastructure.
- Separately, Algorae has engaged AgenticScale.ai under a staged program of work to develop AI and automation capabilities across both its drug discovery and commercial pharmaceutical operations.

Algorae Pharmaceuticals Ltd (ASX: 1AI) ("Algorae" or the "Company") is pleased to advise that it has been named a foundation participant in the **Sovereign AI Infrastructure (SAll)** initiative, and its launch partner for the healthcare and life sciences sector. SAll, an initiative led by AgenticScale.ai to develop secure, sovereign AI infrastructure for regulated and mission-critical sectors, was formally launched on 26 June 2026 in Melbourne.

SAll is being developed to provide secure environments in which organisations can build, test, validate and deploy advanced artificial intelligence (AI) systems. As launch partner for healthcare and life sciences, Algorae intends to apply this infrastructure to its AI-enabled drug discovery and development, establishing the sector as one of the initiative's first operational use cases.

Algorae considers secure, sovereign infrastructure of this kind increasingly important to the responsible development of AI in highly regulated fields such as drug discovery, where AI can be developed and validated in governed, auditable environments. Such infrastructure has the potential to support and accelerate the Company's research over time. Algorae views its participation as complementary to its existing research and development activities, and consistent with its focus on the responsible use of AI.

Mr Richard Harding, Chief Technology Officer of SAll, commented:

"We are delighted to welcome Algorae as a foundation participant in SAll and as our launch partner for the healthcare and life sciences sector. The next phase of artificial intelligence will be defined by infrastructure, governance and trust. Organisations need environments where they can safely test models, validate outcomes, benchmark performance and deploy AI systems with confidence."

SAll is designed to provide that capability through a network of sovereign AI training and validation centres. By combining NVIDIA-accelerated infrastructure, AI assurance, adversarial testing and secure deployment models, we are creating a platform that can support healthcare, energy, defence and critical infrastructure organisations both in Australia and internationally."

Mr David Hainsworth, Executive Chairman of Algorae, stated:

"Algorae is proud to be a foundation participant in SAll and its launch partner for healthcare and life sciences. Our platform, developed in collaboration with leading Australian institutions, demonstrates the contribution artificial intelligence can make in drug discovery."

Access to secure, sovereign infrastructure is the natural next step in applying that capability responsibly and effectively. As launch partner, Algorae is helping shape how AI is applied in healthcare, where it can make a real difference to patients."

Algorae has also engaged AgenticScale.ai, under a separate staged program of work, to develop AI and automation capabilities across both its drug discovery and commercial pharmaceutical operations. This reflects Algorae's deliberate approach of embedding AI across its business to operate efficiently and scale its capabilities as the Company grows.

About Sovereign AI Infrastructure (SAll)

SAll is an Australian initiative focused on the development of secure sovereign AI environments that support:

- Private model training
- AI assurance and benchmarking
- Adversarial testing and red-teaming
- AI governance and compliance
- Agentic AI validation
- Secure AI deployment

The program is intended to support regulated industries, critical infrastructure operators, healthcare organisations and government agencies seeking greater control over AI systems and data.

About AgenticScale.ai

AgenticScale.ai is an Australian-founded enterprise AI company focused on the development and deployment of private, secure and governed AI agents for regulated industries. Operating across Australia and the United States, the company works with organisations in financial services, energy, infrastructure, government, healthcare and education to automate complex workflows, improve decision-making and accelerate operational outcomes.

AgenticScale partners with leading technology providers, including NVIDIA, Microsoft and OpenAI, and delivers enterprise AI solutions that can be deployed on-premises, in sovereign environments or within customer-controlled infrastructure. Its clients and partners span major financial institutions, energy operators, universities and government-related organisations across multiple jurisdictions.

Through its proprietary Agentic Fabric and Human API, together with its governance and assurance frameworks, AgenticScale enables organisations to adopt AI securely at enterprise scale while retaining control of their data, compliance obligations and intellectual property.

For more information visit www.agenticscale.ai

About Algorae Pharmaceuticals

Algorae Pharmaceuticals Ltd (ASX: 1AI) is an Australian AI-enabled pharmaceutical company pursuing a dual-track strategy that combines AI-driven drug discovery with pharmaceutical commercialisation.

Algorae's discovery business is built around AlgoraeOS, a proprietary AI platform that applies machine learning and deep neural networks to predict synergistic drug combinations. AlgoraeOS was developed in collaboration with the UNSW AI Institute, with support from CSIRO Data61. Its predictions have been independently validated by the Peter MacCallum Cancer Centre. The platform underpins a growing pipeline of AI-generated drug-combination candidates across oncology, neurodegenerative and other complex diseases.

Through its wholly owned commercial division, AlgoraeRx, the Company brings specialty and generic medicines to market across Australia and New Zealand under distribution and supply partnerships, building a revenue base that complements its longer-term discovery pipeline.

For more information visit www.algoraepharma.com or follow @algoraepharma on X or LinkedIn.

Authorised for release by the Board of Directors of Algorae Pharmaceuticals Ltd

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Corporate and Media Enquiries

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S&P Forward-Looking Statements

This ASX release and the AgenticScale.ai media release attached as Annexure A contain forward-looking statements regarding the proposed development and deployment of the Sovereign AI Infrastructure (S&P) initiative, including potential facility locations, capabilities and participation. These statements reflect current intentions and expectations of AgenticScale.ai and are subject to change. Locations, partners and capabilities described as under consideration, under evaluation or being explored are not committed and may not proceed. Actual outcomes may differ materially from those expressed or implied.

Algorae's participation in S&P is non-binding and being finalised; it is not responsible for the initiative's overall delivery or funding and does not expect to incur material capital expenditure.

The AgenticScale.ai media release concerns the broader initiative, its references to NVIDIA, government representatives and proposed facilities relate to SAIL, not to any arrangement involving Algorae.

Forward-looking Statements

This document may contain forward-looking statements relating to Algorae Pharmaceuticals Ltd (ASX: 1AI) ("Algorae" or the "Company") and its business, financial position and strategy. Forward-looking statements can generally be identified by the use of words such as "anticipate", "believe", "expect", "estimate", "intend", "plan", "project", "forecast", "target", "aim", "potential", "may", "will", "could", "should", "seek", "on track", or similar expressions, or by discussions of strategy, plans, objectives, future events or intentions.

Forward-looking statements are based on the Company's current expectations, assumptions and beliefs as at the date of this document, and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. These factors may cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements. Such factors include, among others: research and development outcomes; the development, performance and commercialisation of the Company's technology and product candidates; regulatory approvals, requirements and actions of the TGA, FDA and other regulatory authorities; the Company's ability to obtain, maintain and protect intellectual property; commercial, distribution and supply arrangements; competition; funding and access to capital; pricing and reimbursement pressures; counterparty and partnership risks; and general economic, market and operating conditions.

In particular, statements regarding the approval and commercialisation of the Company's product candidates are subject to additional risks and uncertainties, including: unexpected clinical trial results, including additional analysis of existing data and new clinical data; unexpected regulatory actions or delays, or government regulation generally; and the Company's ability to obtain or maintain patent or other proprietary intellectual property protection. There can be no assurance that any existing or future regulatory filings will satisfy the requirements of the TGA, FDA or other health authorities in respect of any product candidate, that any product candidate will be approved for sale in any market, or that any product candidate will reach any particular level of sales.

Forward-looking statements are not guarantees of future performance and should not be relied upon as such. Past performance is not an indicator or guarantee of future performance. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those anticipated, believed, estimated or expected. To the maximum extent permitted by law, the Company and its related bodies corporate, directors, officers, employees and advisers make no representation or warranty (express or implied) as to the accuracy, completeness or likelihood of fulfilment of any forward-looking statement, and disclaim any responsibility for their accuracy or completeness. Nothing in this document constitutes financial product, investment, legal or tax advice, nor an offer of securities or a recommendation to acquire or dispose of any securities.

Except as required by law or the ASX Listing Rules, the Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or developments, or otherwise.

Annexure A: Media release issued by AgenticScale.ai, 26 June 2026

MEDIA RELEASE

AgenticScale.ai together with Foundation Partner, Algorae Pharmaceuticals to Launch NVIDIA-backed Sovereign AI Infrastructure Program

Melbourne to Host Launch of New Australian Sovereign AI Infrastructure Program Focused on Healthcare, Energy, Defence and Critical Infrastructure

Melbourne, Victoria – 26 June 2026

AgenticScale.ai today announced the launch of Australia's new **Sovereign AI Infrastructure (SAIL)** initiative, a program designed to establish a network of NVIDIA-supported sovereign AI training, testing and deployment facilities across Australia, the United States and Europe.

The initiative will be formally launched on **26 June 2026 in Melbourne, Victoria**, bringing together industry leaders, researchers, technology partners, government representatives and investors to discuss the future of sovereign AI capability and critical infrastructure.

SAIL is being developed to provide secure environments where organisations can build, test, validate and deploy advanced AI systems across healthcare, energy, defence, government, banking and critical infrastructure sectors.

The program combines sovereign AI infrastructure, AI assurance, benchmarking, adversarial testing and secure deployment capability to support organisations operating in highly regulated and mission-critical environments.

A Positive Vision for Australian AI

Artificial intelligence is rapidly becoming a strategic capability for nations, industries and communities. While much of the public conversation focuses on risk and disruption, SAIL is intended to demonstrate how AI can be developed and deployed responsibly to improve productivity, accelerate research and strengthen critical industries.

For healthcare and life sciences specifically, secure AI infrastructure of this kind has the potential to accelerate discovery, support clinical and research decision-making, and help organisations derive greater value from increasingly complex data environments.

Building Sovereign Capability

The launch marks the beginning of a broader infrastructure program expected to establish a network of sovereign AI facilities across Australia and key allied jurisdictions.

Initial locations under consideration include:

- Melbourne, Victoria, SAIL headquarters and launch facility
- Western Australia, including sites near Algorae's Western Australian presence, alongside future strategic AI infrastructure locations
- Exmouth, Western Australia, supporting long-term sovereign AI and critical infrastructure initiatives
- Texas, United States, including opportunities currently being explored in Austin and San Antonio
- Europe, with Ireland and Estonia under evaluation

Collectively, these facilities are intended to create one of the world's first sovereign AI training and validation networks dedicated to healthcare, energy, defence, government and critical infrastructure applications.

NVIDIA-Supported Infrastructure Vision

The Sovereign AI Infrastructure initiative is being designed around NVIDIA-accelerated AI technologies and modern AI infrastructure principles, with the objective of creating secure AI proving grounds where organisations can:

- Train and fine-tune private AI models
- Conduct AI red-team and adversarial testing
- Benchmark model accuracy and reliability
- Validate governance and compliance requirements
- Test AI systems in controlled and sovereign environments
- Deploy secure AI solutions into operational environments

The initiative reflects a growing recognition that artificial intelligence is becoming a strategic infrastructure layer for nations, enterprises and critical industries, requiring trusted environments where AI systems can be developed and validated before deployment.

Foundation Participation from Australian Organisations

Algorae Pharmaceuticals Ltd (ASX: 1AI) is a foundation participant in the initiative and SAIL's launch partner for healthcare and life sciences. The company brings an established AI drug discovery capability: a proprietary platform designed to accelerate the discovery of drug combination therapies. The platform was developed in collaboration with the UNSW AI Institute, with support from CSIRO Data61, and its predictions independently validated by the Peter MacCallum Cancer Centre.

As a foundation participant, Algorae intends to apply SAIL's sovereign AI infrastructure across its drug discovery and development programs.

Comment from David Hainsworth, Executive Chairman, Algorae Pharmaceuticals

"Algorae is proud to be a foundation participant in SAIL and its launch partner for healthcare and life sciences. Our AI-enabled drug discovery program, developed in collaboration with leading Australian institutions, is an important application of artificial intelligence that we believe can deliver meaningful benefits for patients and the healthcare system."

"Artificial intelligence is being applied across our business, from research through to our commercial operations, and access to secure, sovereign AI infrastructure is the natural next step in applying that capability responsibly and efficiently. We welcome initiatives like SAIL that strengthen Australia's sovereign AI capability in areas where it can make a real difference to people's lives."

Comment from Richard Harding, Chief Technology Officer, SAIL

"The next phase of artificial intelligence will be defined by infrastructure, governance and trust. Organisations need environments where they can safely test models, validate outcomes, benchmark performance and deploy AI systems with confidence."

"SAIL is designed to provide that capability through a network of sovereign AI training and validation centres. By combining NVIDIA-accelerated infrastructure, AI assurance, adversarial testing and secure deployment models, we are creating a platform that can support healthcare, energy, defence and critical infrastructure organisations both in Australia and internationally."

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For more information visit www.agenticscale.ai

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Algorae Pharmaceuticals Ltd (ASX: 1AI) is an Australian pharmaceutical company pursuing a dual-track strategy that combines AI-driven drug discovery with pharmaceutical commercialisation.

AlgoraeOS, the Company's proprietary AI platform, applies machine learning and deep neural networks to predict synergistic drug combinations with greater speed and precision than conventional screening. The platform was developed in collaboration with the UNSW AI Institute, with support from CSIRO Data61, and its predictions have been independently validated by the Peter MacCallum Cancer Centre.

AlgoraeOS is developed and run on Australia's National Computational Infrastructure (NCI) and underpins a growing pipeline of AI-generated drug-combination candidates across oncology, neurodegenerative and other complex diseases.

Through its wholly owned commercial division, AlgoraeRx, the Company brings specialty and generic medicines to market across Australia and New Zealand under distribution and supply partnerships, building a revenue base that complements its longer-term discovery pipeline.

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Forward-Looking Statements

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