

FORM 51-102F3

MATERIAL CHANGE REPORT

**Item 1: Name and Address of Company**

PharmAla Biotech Holdings Inc. (the “Company”)  
82 Richmond Street East  
Toronto, Ontario M5C 1P1

**Item 2: Date of Material Changes**

December 17, 2024, and December 20, 2024.

**Item 3: News Release**

A news release was disseminated on December 20, 2024, via Globe Newswire and filed on the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

**Item 4: Summary of Material Change**

Private Placement

Effective December 20, 2024 (the “Closing Date”), the Company closed a non-brokered private placement offering (the “Offering”) through the issuance of 8,676,221 units of the Company (each, a “Unit”) for gross proceeds of approximately \$1,561,719.88. The Offering was oversubscribed by 12%, with an additional 898,444 Units sold.

Securities issued under the Offering were, as applicable, subject to: (i) a four month and one day hold period from the date of issuance and (ii) applicable legends as required pursuant to the *United States Securities Act of 1933*, as amended.

Continuance

Effective December 17, 2024, the Company completed its continuance from the Province of British Columbia governed under the *Business Corporations Act* (British Columbia) into the Province of Ontario governed under the *Business Corporations Act* (Ontario) (the “Continuance”).

**Item 5.1: Full Description of Material Change**

Private Placement

Each Unit was sold at a price of \$0.18 per Unit and consisted of one common share in the capital of the Company (a “Common Share”) and one-half of one warrant (each whole warrant, a “Warrant”). Each Warrant entitles the holder thereof to acquire one additional Common Share at a price of \$0.27 per Common Share at any time prior to 4:30 pm (Toronto Time) on the date that is thirty six months following the Closing Date (the “Warrant Term”), provided that, if the closing price of the Common Shares on the Canadian Securities Exchange (the “CSE”) is \$0.38 or greater per Common Share for a period of ten consecutive trading days at any time after the completion of the Offering, the Company may accelerate the Warrant Term, in compliance with the policies of the CSE, such that the Warrants shall expire on the date which is thirty days following the date a press release is issued by the Company announcing the reduced Warrant Term in accordance with the terms and conditions of the certificate representing such Warrants.

The Company intends to use the net proceeds of the Offering for the securing of global patent rights for its portfolio of novel intellectual property assets, manufacture of products for sale, clinical trials into the Company’s novel patented drug candidates, sales, general corporate and working capital purposes.

### Continuance

The Continuance was approved by the Company's shareholders at the Company's annual general and special meeting of the shareholders held on Tuesday, February 27, 2024.

A copy of the certificate of continuance was filed under the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca). Shareholders are not required to take any action in connection with the Continuance.

#### **Item 5.2: Disclosure for Restructuring Transactions**

Not applicable.

#### **Item 6: Reliance on Subsection 7.1(2) of National Instrument 51-102 (Confidentiality)**

Not applicable.

#### **Item 7: Omitted Information**

No information has been omitted on the basis that it is confidential information.

#### **Item 8: Executive Officer**

For additional information with respect to this material change, please contact:

Nicholas Kadysh  
Chief Executive Officer  
T: 1-855-444-6362  
E: [press@PharmAla.ca](mailto:press@PharmAla.ca)

#### **Item 9: Date of Report**

December 23, 2024.