

Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2026 and 2025

Notice of No Auditor Review of Unaudited Condensed Interim Consolidated Financial Statements

The accompanying unaudited condensed interim consolidated financial statements of Resverlogix Corp. (the "Company") as at September 30, 2026 and for the period then ended have been prepared by and are the responsibility of the Company's management. The Company's Audit Committee and Board of Directors have reviewed and approved these unaudited condensed interim consolidated financial statements. In accordance with National Instrument 51 – 102, the Company discloses that its auditors have not reviewed the accompanying unaudited condensed interim consolidated financial statements for the periods ended September 30, 2026 and 2025.

Condensed Interim Consolidated Statements of Financial Position

As at:
(unaudited)

In thousands of US dollars	Notes	September 30, 2026	December 31, 2025
Assets			
Current assets:			
Cash		$ 158	$ 108
Prepaid expenses and deposits		166	120
Investment tax credit receivable		82	50
Other assets		2	31
Clinical supplies		408	435
Due from Zenith Capital Corp.		1,193	862
Total current assets		2,009	1,606
Non-current assets:			
Property and equipment		8	9
Intangible assets		2,764	2,589
Clinical supplies		3,744	3,744
Total non-current assets		6,516	6,342
Total assets		$ 8,525	$ 7,948
Liabilities			
Current liabilities:			
Trade and other payables		$ 19,644	$ 18,184
Accrued interest	5	5,248	4,622
Promissory notes payable to Zenith Capital Corp.	5	14,050	11,855
Other promissory notes		761	768
Lease liability		44	44
Warrant liability	8 (e)	81	453
Debt	6	8,226	8,131
Total current liabilities		48,054	44,057
Non-current liabilities:			
Other long-term liability		836	753
Royalty preferred shares	7	54,600	52,100
Total liabilities		103,490	96,910
Shareholders' deficiency:			
Share capital	8 (a)	339,261	334,931
Contributed surplus		53,929	53,936
Deficit		(488,155)	(477,829)
Total shareholders' deficiency		(94,965)	(88,962)
Total liabilities and shareholders' deficiency		$ 8,525	$ 7,948

Going concern (note 3) Commitments and contingencies (note 10)

Signed on behalf of the Board:

Signed: "Kenneth Zuerblis" Director Signed: "Kelly McNeill" Director

The accompanying notes are an integral part of these consolidated financial statements.

Condensed Interim Consolidated Statements of Comprehensive Loss

For the three and nine months ended September 30

(unaudited)

In thousands of US dollars	Notes	Three months ended September 30, 2026	2025	Nine months ended September 30, 2026	2025
Expenses:					
Research and development, net of recoveries	9	$ 1,174	$ 722	$ 2,931	$ 2,136
Investment tax credits		(12)	(13)	(34)	(37)
Net research and development		1,162	709	2,897	2,099
General and administrative, net of recoveries	9	460	425	1,366	1,431
		1,622	1,134	4,263	3,530
Finance (income) costs:					
(Gain) loss on change in fair value of warrant liability	8 (e)	(125)	447	(372)	387
(Gain) loss on change in fair value of royalty preferred shares	7	(2,000)	(1,800)	2,500	500
Loss on debt modification	6	-	-	149	-
Loss on payables extinguishment	8 (c)	-	37	-	37
Interest, fees and accretion		1,297	1,145	3,797	3,065
Foreign exchange (gain) loss		(1)	(14)	(16)	34
Net finance (income) costs		(829)	(185)	6,058	4,023
Loss before income taxes		793	949	10,321	7,553
Income taxes		-	2	5	8
Net and total comprehensive loss		$ 793	$ 951	$ 10,326	$ 7,561
Net loss per share *(note 8 (f))*					
Basic and diluted		$ 0.00	$ 0.00	$ 0.03	$ 0.03

The accompanying notes are an integral part of these consolidated financial statements.

Condensed Interim Consolidated Statements of Changes in Shareholders' Deficiency

For the nine months ended September 30

(unaudited)

In thousands of US dollars	Share Capital	Contributed Surplus	Deficit	Total Shareholders' Deficiency
Balance, December 31, 2024	$ 334,617	$ 53,710	$ (470,062)	$ (81,735)
Common shares issued in connection with long term incentive plan	283	(211)	-	72
Share-based payment transactions	-	329	-	329
Net and total comprehensive loss	-	-	(7,561)	(7,561)
Balance, September 30, 2025	$ 334,900	$ 53,828	$ (477,623)	$ (88,895)
Balance, December 31, 2025	**$ 334,931**	**$ 53,936**	**$ (477,829)**	**$ (88,962)**
Common shares issued in connection with private placements	**4,056**	**-**	**-**	**4,056**
Common shares issued in connection with long term incentive plan	**293**	**(293)**	**-**	**-**
Share issue cost	**(19)**	**-**	**-**	**(19)**
Share-based payment transactions	**-**	**286**	**-**	**286**
Net and total comprehensive loss	**-**	**-**	**(10,326)**	**(10,326)**
Balance, September 30, 2026	**$ 339,261**	**$ 53,929**	**$ (488,155)**	**$ (94,965)**

The accompanying notes are an integral part of these consolidated financial statements.

Condensed Interim Consolidated Statements of Cash Flows
For the nine months ended September 30
(unaudited)

In thousands of US dollars	2026	2025
Cash provided by (used in):		
Cash flows (used in) provided by operating activities:		
Net loss	$ (10,326)	$ (7,561)
Items not involving cash:		
Equity-settled share-based payment transactions	286	329
Depreciation and amortization	247	317
(Gain) loss on change in fair value of warrant liability	(372)	387
Loss on change in fair value of royalty preferred shares	2,500	500
Loss on debt modification	149	-
Loss on payables extinguishment	-	37
Unrealized foreign exchange	(8)	7
Interest and accretion	3,797	3,065
Net current income taxes	5	8
Changes in non-cash working capital:		
Prepaid expenses and deposits	(46)	21
Investment tax credit receivable	(32)	(38)
Other assets	29	(18)
Clinical supplies	27	107
Due from Zenith Capital Corp.	(331)	(487)
Trade and other payables	408	688
	(3,667)	(2,638)
Interest received	-	1
Income tax paid	-	(11)
Net cash used in operating activities	(3,667)	(2,648)
Cash flows provided by financing activities:		
Proceeds from promissory notes payable	4,195	3,034
Share issuance costs	(19)	-
Changes in non-cash financing working capital	(1)	-
Net cash provided by financing activities	4,175	3,034
Cash flows used in investing activities:		
Intangible asset additions	(421)	(434)
Changes in non-cash investing working capital	(35)	11
Net cash used in investing activities	(456)	(423)
Effect of foreign currency translation on cash	(2)	2
Increase (decrease) in cash	50	(35)
Cash, beginning of period	108	99
Cash, end of period	$ 158	$ 64

The accompanying notes are an integral part of these consolidated financial statements.

1. General information

Resverlogix Corp. (the "Company") is a company domiciled in Canada. The annual consolidated financial statements comprise the Company and its wholly-owned subsidiary Resverlogix Inc. (together referred to as "Resverlogix" or the "Group"). Resverlogix Corp. is incorporated under the laws of Alberta. Resverlogix Inc. is incorporated under the laws of Delaware. The Company's head office is located at Suite 300, 4820 Richard Road S.W., Calgary, Alberta, T3E 6L1. The registered and records office is located at Suite 600, 815 - 8th Avenue S.W., Calgary, Alberta, T2P 3P2.

Resverlogix is developing apabetalone (RVX-208), a first-in-class, small molecule that is a selective BET (bromodomain and extra-terminal) inhibitor. BET bromodomain inhibition is an epigenetic mechanism that can regulate disease-causing genes. Apabetalone is a BET inhibitor selective for the second bromodomain ("BD2") within the BET proteins. This selective inhibition of apabetalone on BD2 produces a specific set of biological effects with potentially important benefits for patients with chronic disease including cardiovascular disease ("CVD") and associated comorbidities, and post-COVID-19 conditions. Apabetalone is the only selective BET bromodomain inhibitor in human clinical trials. Apabetalone was studied in a Phase 3 trial, BETonMACE, in 13 countries worldwide, in high-risk CVD patients with type 2 DM and low high-density lipoprotein ("HDL"). The Company's Phase 3 trial, BETonMACE, did not meet its primary endpoint but generated encouraging positive results in key secondary endpoints and the Company intends to continue the development of apabetalone when the requisite funding can be secured. Based on the results of the BETonMACE study, the U.S. Food and Drug Administration ("FDA") granted Breakthrough Therapy Designation ("BTD") for apabetalone in combination with top standard of care, including high-intensity statins, for the secondary prevention of major adverse cardiac events ("MACE") in patients with type 2 DM and recent acute coronary syndrome ("ACS"). The achievement of BTD has the potential to expedite apabetalone's clinical development program through more intensive FDA guidance. The Company is considered to be in the development stage, as most of its efforts have been devoted to research and development and it has not earned any revenue to date.

2. Basis of preparation

(a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 – *Interim Financial Reporting*. These condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors on November 13, 2026.

(b) Basis of measurement

The condensed interim consolidated financial statements have been prepared on the historical cost basis except for liability classified warrants and liability classified royalty preferred shares, which are measured at fair value each reporting period.

(c) Functional and presentation currency

The functional currency of all entities within the Group is the US dollar, which is also the presentation currency. All financial information presented in dollars has been rounded to the nearest thousand except for per share amounts.

(d) Use of estimates and judgment

The preparation of the condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts reported in these condensed interim consolidated financial statements and notes. Accordingly, actual results may differ from estimated amounts as future confirming events occur. Significant estimates and judgment used in the preparation of the condensed interim consolidated financial statements remain unchanged from those described in the Group's consolidated financial statements for the year ended December 31, 2025.

3. Going concern

The success of the Company is dependent on the continuation of its research and development activities, progressing the core technologies through clinical trials to commercialization or a strategic partnership, and its ability to obtain additional financing. It is not possible to predict the outcome of future research and development programs, the Company's ability to fund these programs in the future, or to secure a strategic partnership, or the commercialization of products by the Company. To date, the Company has not generated any product revenue.

The consolidated financial statements have been prepared pursuant to International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. The Company has incurred significant

3. Going concern (continued)

losses to date, and with no assumption of revenues, is dependent on its ability to raise additional financial capital by continuing to demonstrate the successful progression of its research and development activities if it is to remain as a going concern.

As at September 30, 2026, the Company had $0.2 million of cash. The Company needs to raise additional capital to fund research, development and corporate activities over the next year or it may be forced to cease operations. As at September 30, 2026, the Company was committed to pay $19.6 million of current trade and other payables (including $14.1 million owing to EVERSANA Life Science Services, LLC ("EVERSANA")), $14.1 million to Zenith Capital Corp. (a related party) ("Zenith") (due four months following demand), $0.8 million of other unsecured promissory notes (due upon demand or four months following demand, respectively), up to $0.2 million for research and development commitments, and $0.1 million of operating lease expense over the next twelve months. Furthermore, the Company's $8.1 million secured debt with Shenzhen Hepalink Pharmaceutical Co., Ltd. ("Hepalink") (and accrued interest) is due on May 13, 2027. The Company also has other commitments as outlined in Note 10. In addition, expenditures over the next twelve months under a cancellable agreement with a contract research organization in respect of clinical development activities are estimated to total approximately $1.7 million. As at September 30, 2026, the Group is also party to a commercialization partnership; the parties mutually agreed to pause services and the Group is not obligated as at September 30, 2026 to incur pre-commercialization costs over the next twelve months. The parties may or may not resume services over the next twelve months.

The Company's cash as at September 30, 2026 is not sufficient to fund the Company's contractual commitments or the Company's planned business operations over the next year. During the nine months ended September 30, 2026, Zenith advanced the Company $4.2 million; there is no assurance that Zenith will advance further amounts to the Company. The Company will have to raise additional capital to fund its contractual commitments and its planned business operations. The Company continues to pursue and/or examine several sources of additional capital including co-development, licensing, rights or other partnering arrangements, procurement arrangements, private placements and/or public offerings (equity and/or debt). However, there is no assurance that any of these measures will be successful. The Company will also require additional capital to fund research, development and corporate activities beyond the next year. The Company will continue to explore alternatives to generate additional cash including raising additional equity and/or debt and/or partnering; however, there is no assurance that these initiatives will be successful.

These conditions result in a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. If the Company is not able to raise capital, the Company may be forced to cease operations. These consolidated financial statements do not include necessary adjustments to reflect the recoverability and classification of recorded assets and liabilities and related expenses that might be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and such adjustments could be material.

4. Material accounting policies

The condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2025 prepared in accordance with IFRS applicable to those annual consolidated financial statements. The same accounting policies, presentation and methods of computation have been followed in these condensed interim consolidated financial statements as were applied in the Company's consolidated financial statements for the year ended December 31, 2025.

5. Promissory notes payable to Zenith Capital Corp.

The Company and Zenith have several directors and officers in common and thus are considered related parties. During the nine months ended September 30, 2026, Zenith advanced the Company $4.2 million (2025 – $3.0 million). The Company has issued promissory notes to Zenith totaling $14.1 million as at September 30, 2026 (December 31, 2025 – $11.9 million); the promissory notes bear interest at 12% per annum, are payable within four months of demand and are unsecured. During the nine months ended September 30, 2026, interest on the Promissory notes payable to Zenith Capital Corp. totaled $1.1 million (2025 – $0.8 million). As described in Note 8(a), in February 2026, $2.1 million of accrued interest on indebtedness owing by Resverlogix to Zenith was settled as part of the February 2026 shares-for-interest private placement and in May 2026, $2.0 million of indebtedness owing by Resverlogix to Zenith was settled as part of the May 2026 shares-for-interest private placement. As at September 30, 2026, accrued interest on the Promissory notes payable to Zenith Capital Corp. totaled $1.0 million (December 31, 2025 – $1.9 million), and is included in Accrued interest in the consolidated statements of financial position.

6. Debt

On May 13, 2021, the Company closed a US$6.0 million secured convertible debenture (the "Debenture") with Shenzhen Hepalink Pharmaceutical Co., Ltd. ("Hepalink"). The following summarizes the changes in debt during the nine months ended September 30, 2026.

Balance, December 31, 2025	$	8,131
Modification loss for maturity date extension		149
Accretion of premium added to carrying value of Debenture		(54)
Balance, September 30, 2026	**$**	**8,226**

Amendment and extension of the Debenture

During the nine months ended September 30, 2026, the maturity date of the Debenture, and the corresponding payment date of interest thereon, were both extended by one year from May 13, 2026 to May 13, 2027. In connection with the extension, the Debenture's interest rate was amended from 18% to 20% per annum, commencing on May 14, 2026. The amendment was accounted for as a debt modification. A modification loss of $0.1 million, related to the extension of the maturity date, was recognized in profit or loss and was added to the carrying value of the debt on the statement of financial position.

7. Royalty preferred shares

(i) Authorized:

Unlimited number of royalty preferred shares issuable in series with rights as determined by the Board of Directors at the time of issue.

(ii) Issued and outstanding:

Preferred shares	Number of preferred shares		Amount
Balance, December 31, 2025	75,202,620	$	52,100
Revaluation of royalty preferred shares	-		2,500
Balance, September 30, 2026	75,202,620	$	54,600

The holder of the royalty preferred shares is entitled to dividends in the amount of 6-12% of the Company's Net Revenue, as defined in the Company's articles. As at September 30, 2026, the Company had 75,202,620 royalty preferred shares outstanding, all of which were held by Zenith. Resverlogix and Zenith have several directors and officers in common and thus are considered related parties. For fair value measurement purposes, the royalty preferred shares liability has been categorized within level 3 of the fair value measurement hierarchy. The estimated fair value of the royalty preferred shares is based on management's judgments, estimates and assumptions which include significant unobservable inputs including the timing and amounts of the Company's discounted future net cash flows. The estimate incorporates the following assumptions: an average cumulative probability rate of generating forecasted future cash flows of 41% as at September 30, 2026 (December 31, 2025 – 41%) reflecting in each case, among other factors, the Company's clinical results, in particular the results of BETonMACE, and communication with the U.S. Food and Drug Administration ("FDA") and other regulatory bodies; a discount rate of 25.0% as at September 30, 2026 (December 31, 2025 – 24.6%); projected commencement of revenue beginning between mid-2030 and late-2030 (based on projected clinical development paths across various jurisdictions, which is based substantially on securing the requisite funding from a partnership or other source(s) of capital by late-2026) as at September 30, 2026 (December 31, 2025 – between late-2029 and early-2030); and projected apabetalone market share percentages and projected product pricing. The estimated fair value of royalty preferred shares in the current period was affected by the passage of time (to future cash flows based on the estimated timing and commencement of revenue), offset by the commencement of revenue estimation update.

The estimated fair value of the royalty preferred shares is subject to significant volatility. Small changes in the aforementioned assumptions may have a significant impact on the estimated fair value of the royalty preferred shares. For instance, holding all other assumptions constant: a 1% increase in the discount rate would result in a $3.5 million decrease in the estimated fair value of the royalty preferred shares; assuming commencement of revenue one year later would result in a $11.5 million decrease in the estimated fair value of the royalty preferred shares; a 0.5% increase in the growth rate of the patient population would result in a $3.9 million increase in the estimated fair value of the royalty preferred shares; and a 1% increase in the probability rate of generating forecasted future cash flows would result in a $1.3 million increase in the estimated fair value of the royalty preferred shares.

8. Shareholders' deficiency

(a) Common shares

(i) Authorized:

Unlimited number of common shares

(ii) Issued and outstanding:

Common shares	Number of shares	Amount
Balance, December 31, 2025	287,557,644	$ 334,931
Issued in connection with private placements	54,864,133	4,056
Issued in connection with long term incentive plan	1,864,932	293
Share issue cost	-	(19)
Balance, September 30, 2026	344,286,709	$ 339,261

Connected Interest Assignment and Shares-for-Interest Private Placements

In February 2026, the Company closed a $2.1 million (CAD$2.8 million) shares-for-interest private placement with an immediate family member (the "Subscriber") of Resverlogix's Chairman and CEO.

Under the terms of the February 2026 shares-for-interest transaction, the Subscriber subscribed for 28,000,000 common shares at CAD$0.10 per share for aggregate proceeds of $2.1 million (CAD$2.8 million). After giving effect to the transaction, the Subscriber holds approximately 9.7% of Resverlogix's common shares. The common shares are subject to a four-month hold period. The February 2026 shares-for-interest transaction followed the settlement of $2.1 million (CAD$2.8 million) of accrued interest on indebtedness owing by Zenith to the Subscriber by way of the assignment to the Subscriber of an equal amount of accrued interest on indebtedness owing by Resverlogix to Zenith.

In May 2026, the Company closed a $2.0 million (CAD$2.8 million) shares-for-interest private placement with an arm's length subscriber.

Under the terms of the May 2026 shares-for-interest transaction, the arm's length subscriber subscribed for 26,864,133 common shares at CAD$0.103 per share for aggregate proceeds of $2.0 million (CAD$2.8 million). After giving effect to the transaction, the arm's length subscriber holds approximately 7.8% of Resverlogix's common shares. The common shares are subject to a four-month hold period. The May 2026 shares-for-interest transaction followed the settlement of $2.0 million (CAD$2.8 million) of accrued interest on indebtedness owing to the arm's length subscriber by Zenith by way of the assignment to the arm's length subscriber of an equal amount of indebtedness owing by Resverlogix to Zenith.

(b) Stock options

The Company's amended stock option plan has been approved as a rolling 10% plan that allows for reservation of a number of common shares under the plan equal to 10% of the Company's issued and outstanding common shares on an undiluted basis. Additionally, the plan is a reloading plan, which allows for the number of common shares reserved for issuance related to the options under the plan to automatically become eligible to be reallocated pursuant to stock option-based grants upon option expiry, cancellation or exercise. The Company may grant options to its directors, officers, employees and consultants. The majority of options fully vest over one to three years and have a five-year term. The options are settled by way of the issuance of equity instruments of the Company ("equity-settled").

	Number of options	Weighted average exercise price (CAD)
Outstanding, December 31, 2025	3,330,000	$ 0.20
Granted	150,000	0.09
Expired	(150,000)	0.91
Outstanding, September 30, 2026	3,330,000	$ 0.16

8. Shareholders' deficiency (continued)

(b) Stock options (continued)

The fair value of each option granted is estimated as of the grant date using the Black-Scholes option pricing model. The following weighted average assumptions were used in arriving at the weighted average fair values of $0.06 per option and $0.05 per option associated with stock options granted during the nine months ended September 30, 2026 and 2025, respectively:

	2026	2025
Risk-free interest rate	2.9%	2.6%
Expected life	4.3 years	1.5 years
Expected volatility	119%	159%
Share price at grant date	CAD$0.11	CAD$0.10
Expected dividends	Nil	Nil

The following table summarizes information about the options outstanding and exercisable at September 30, 2026.

Range of Exercise Prices (CAD)	Number Outstanding	Weighted Average Remaining Life (years)	Weighted Average Exercise Price (CAD)	Number Exercisable
$0.07 - $0.09	2,550,000	2.15	$ 0.09	2,400,000
$0.13 - $0.18	390,000	1.12	0.16	390,000
$0.54 - $0.72	390,000	0.32	0.65	390,000
	3,330,000	1.75	$ 0.16	3,180,000

The number of options exercisable at September 30, 2026 was 3,180,000 (2025 – 3,180,000) with a weighted average exercise price of CAD$0.16 (2025 – CAD$0.21).

(c) Restricted stock units

The Company's long term incentive plan allows for the reservation of a number of common shares not to exceed 10% of the Company's issued and outstanding common shares on an undiluted basis less the number of common shares reserved under the Company's amended stock option plan. The Company may grant restricted stock units ("RSUs") to directors, officers, employees, and consultants. RSUs are settled on exercise through the issuance of common shares.

During the nine months ended September 30, 2026, 2,850,000 RSUs were granted (2025 – 7,282,800 RSUs were granted). The RSUs vest over a period of zero to six months. The Company estimates the fair value of RSUs based on the market price of the underlying stock on the date of grant. During the nine months ended September 30, 2025, 1,000,000 RSUs were granted to a vendor to settle trade payables of $0.04 million; the grant date fair value (equal to the closing stock price on the grant date) of the 1,000,000 RSUs was $0.07 million (recognized in share capital), resulting in a loss on payables extinguishment of $0.03 million (recognized in profit or loss).

	Number of restricted stock units	Weighted average grant date fair value (USD)
Outstanding, December 31, 2025	21,552,225	$ 0.53
Granted	2,850,000	0.07
Exercised	(1,864,932)	0.16
Outstanding, September 30, 2026	22,537,293	$ 0.51

At September 30, 2026, 22,087,292 RSUs were exercisable (2025 – 21,070,823).

8. Shareholders' deficiency (continued)

(d) Deferred share units

The Company's deferred share unit plan limits the maximum number of Common Shares issuable pursuant to outstanding deferred share units ("DSUs") at any time to 5% of the aggregate number of issued and outstanding Common Shares, provided that the combined maximum number of Common Shares issuable by the Company pursuant to outstanding DSUs and all of its other security-based compensation arrangements may not exceed 10% of the Common Shares outstanding from time to time. The Company may grant DSUs to directors. DSUs are settled on exercise through the issuance of common shares.

During the nine months ended September 30, 2026, there were no DSUs granted to directors (2025 – no DSUs were granted). The DSUs fully vest at grant date. The Company estimates the fair value of DSUs based on the market price of the underlying stock on the date of grant.

	Number of deferred share units	Weighted average grant date fair value (USD)
Outstanding and exercisable, December 31, 2025 and September 30, 2026	5,920,706	$ 0.15

(e) Warrant liability

The following table summarizes the changes in liability-classified common share purchase warrants outstanding.

	Number of warrants	Weighted average exercise price (CAD)	Liability amount
Outstanding, December 31, 2025	20,764,570	$ 0.20	$ 453
Expired	(5,516,918)	-	-
Revaluation of warrant liability	-	-	(372)
Outstanding, September 30, 2026	15,247,652	$ 0.20	$ 81

The following table summarizes information about liability-classified warrants outstanding and exercisable at September 30, 2026.

Exercise Price (CAD)	Number Outstanding and Exercisable	Weighted Average Remaining Life (years)	Weighted Average Exercise Price (CAD)
$0.20	15,247,652	0.80	$ 0.20
	15,247,652	0.80	$ 0.20

Under IFRS, the prescribed accounting treatment for warrants, with an exercise price denominated in a foreign currency, is to treat these warrants as a liability measured at fair value with subsequent changes in fair value each reporting period accounted for through profit or loss. The initial fair value of these warrants is determined using the Black Scholes option pricing model.

The Company's warrants are presented as a current liability on the consolidated statements of financial position. Each full warrant entitles the holder to purchase one common share of the Company. The fair value of the warrants not publicly listed is determined using the Black Scholes option pricing model at initial issue date and at each reporting period. As these warrants are exercised, the fair value of the recorded warrant liability on the date of exercise is included in share capital along with the proceeds from the exercise. If these warrants expire, the related decrease in warrant liability is recognized in profit or loss, as part of the change in fair value of warrant liability.

The changes in fair value of the unlisted liability-classified warrants were based on several factors including changes in the market price of the Company's shares from CAD$0.10 on December 31, 2025 to CAD$0.09 on September 30, 2026, and from CAD$0.055 on December 31, 2024 to CAD$0.10 on September 30, 2025, as well as decreases in the remaining terms of the various series of warrants, and changes in estimated future volatility of our common shares which represents a level 3 input in the fair value hierarchy. The fair value of the warrants is subject to significant volatility. Gains and losses resulting from the revaluation of warrant liability are non-cash and do not impact the Company's cash flows.

There were no warrants issued during nine months ended September 30, 2026 (2025 – no warrants were issued).

8. Shareholders' deficiency (continued)

(f) Per share amounts

The basic and diluted net loss per share have been calculated based on the weighted average shares outstanding:

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	**2026**	2025
Weighted average common shares outstanding - basic and diluted	**344,230,537**	286,170,104	**324,853,061**	284,381,222

The effect of any potential exercise of warrants, stock options, restricted stock units, and deferred share units outstanding is excluded from the calculation of diluted loss per share in periods where the effect would be anti-dilutive.

9. Expenses by nature

Presentation of expenses is based on the function of each expense. The following details provide a breakdown of the components of the research and development and general and administrative expenses classified by nature.

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	**2026**	2025
Research and development expenses:				
Operating expenses, net of recoveries	**$ 860**	$ 384	**$ 1,972**	$ 1,064
Personnel costs (short-term employee benefits)	**230**	231	**712**	715
Share-based payment transactions	**-**	-	**-**	40
Amortization and depreciation	**84**	107	**247**	317
Total research and development expenses	**$ 1,174**	$ 722	**$ 2,931**	$ 2,136
General and administrative expenses:				
General expenses, net of recoveries	**$ 36**	$ 23	**$ 84**	$ 90
Personnel costs (short-term employee benefits)	**324**	308	**996**	1,052
Share-based payment transactions	**100**	94	**286**	289
Total general and administrative expenses	**$ 460**	$ 425	**$ 1,366**	$ 1,431

10. Commitments and contingencies

As at September 30, 2026, the Group is committed to expenditures over the next twelve months of $0.2 million (December 31, 2025 – $0.3 million) under various research and development contracts. As at September 30, 2026, the Group is also party to a cancellable agreement with a contract research organization in respect of clinical development activities. Corresponding estimated aggregate expenditures over the next twelve months total approximately $1.7 million (December 31, 2025 – $2.6 million).

As at September 30, 2026, the Group is also party to a commercialization partnership with EVERSANA; the parties have mutually agreed to temporarily pause services and the Group was not obligated as at September 30, 2026 to incur pre-commercialization costs over the next twelve months. The parties may or may not resume services over the next twelve months.

The July 2015 License Agreement between Resverlogix and Hepalink was amended effective June 17, 2022, and further amended on June 27, 2024 and May 11, 2026, such that Resverlogix agreed to pay up to CAD$8.0 million of clinical development costs associated with apabetalone, including a global Phase 3 clinical trial (which Resverlogix intends to perform in any event), in China, Hong Kong, Taiwan and Macau, and if the costs incurred by Resverlogix after May 1, 2020 and up to June 30, 2027 total less than CAD$8 million, then Resverlogix and Hepalink shall negotiate a mutually-agreeable timeframe regarding any difference, in principle by not later than June 30, 2028.

10. Commitments and contingencies (continued)

In July 2020, the Company entered into an agreement with a supplier to settle amounts owing by the Company, whereby the Company agreed to pay a reduced amount in three instalments of $200,000, $550,000 and $550,000 on August 1, 2020, September 1, 2020 and October 1, 2020 respectively. The Company paid the August 1, 2020 instalment and has paid an additional $825,000, but has not yet paid the remaining balance of $275,000. Until the Company pays the remaining $275,000, thereby satisfying its obligations pursuant to the agreement, it is possible that the supplier could assert that the Company is in default and could pursue any remedies that may be available to them.

The Company has not complied fully with the payment terms associated with certain amounts owing to certain vendors. Until the Company fully satisfies its obligations, it is possible that the vendors could assert that the Company is in default and could pursue any remedies available to them.

In 2021, the Company acquired certain intellectual property for: (a) $400,000 paid in cash and (b) a $600,000 milestone payment payable upon submission of a New Drug Application for apabetalone to the US Food and Drug Administration.