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XORTX Files an Amended and Restated Prospectus Supplement for the Offering of Units

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CALGARY, Alberta, Feb. 01, 2024 (GLOBE NEWSWIRE) -- XORTX Therapeutics Inc. ("**XORTX**" or the "**Company**") (NASDAQ: XRTX | TSXV: XRTX | Frankfurt: ANU), a late stage clinical pharmaceutical company focused on developing innovative therapies to treat progressive kidney disease, announces that it has filed an amended and restated prospectus supplement for its previously announced offering of for aggregate gross proceeds of up to \$2 million. Under the amended and restated prospectus supplement, the size of the offering is increased by \$2 million to up to \$4 million.

The amended and restated prospectus supplement is on a non-brokered offering of up to 1,333,334 common share units ("**Common Share Units**") at \$3.00 per Common Share Unit, with each Common Share Unit consisting of one common share, no par value, and one warrant ("**Warrant**") to purchase one common share at \$4.50 per common share for a period of two years for aggregate gross proceeds of up to \$4 million, prior to deducting offering expenses (the "**Offering**"). The common shares and Warrants contained in the Common Share Units are immediately separable upon issuance. The Warrants have an initial exercise price of \$4.50 per share, will be immediately exercisable, and may be exercised for two years from the date of issuance, provided, however that, if, the common shares on the TSX Venture Exchange ("**TSXV**") trade at greater than \$6.00 for 10 or more consecutive trading days, the Warrants will be accelerated and the Warrants will expire on the 30th business day following the date of such notice.

The Offering is expected to close on or about February 7, 2024, subject to satisfaction of customary closing conditions, and such closing may occur over multiple tranches, and in no event will the last closing date be later than 45 days from the date hereof.

The Company may pay finder's fee representing 5% of the gross proceeds from the Offering to one or more qualified finders in respect of the sale of Common Share Units to certain identified purchasers.

The Offering is made under the short form base shelf prospectus dated April 24, 2023, which provides for the issue of up to \$50 million principal amount of securities. Complete details of the Offering are set out in the amended and restated prospectus supplement filed with the Canadian securities regulatory authorities and made available on SEDAR+ at www.sedarplus.ca.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

In addition to the previously announced consulting agreement entered into between the Company and Plutus Bridge Capital Inc. (“**Plutus**”), XORTX retained Plutus pursuant to an amended and restated consulting agreement made as of January 27, 2024 (the “**Consulting Agreement**”) to provide social media marketing and related services in accordance with TSX Venture Exchange policies. Plutus is an independently owned public relations and capital markets consultancy firm based in Vancouver, British Columbia. Plutus will use commercially reasonable efforts to increase public awareness of the Company and its products, services, and securities through online advertising campaigns. The services may include facilitating the creation and distribution and marketing materials and paid advertisements. XORTX and Plutus are unrelated and unaffiliated entities. Plutus has informed the Company that it currently has no present, direct or indirect, interest in XORTX or any securities of XORTX.

Under the Consulting Agreement, XORTX has agreed to pay Plutus a preliminary budget of USD \$25,000 plus applicable tax (the “**Initial Fee**”) to cover the start-up costs associated with the public relations campaign and related services (the “**Initial Services**”). Plutus acknowledges and agrees that in the event that USD \$25,000 worth of services are not provided to the Company within the term of the Consulting Agreement, any unused funds will be immediately returned to the Company.

In addition to the Initial Fee and the Initial Services, the Company estimates that other services will be required of Plutus on a monthly basis. As compensation for the services rendered by Plutus pursuant to the Consulting Agreement, the Company shall pay to Plutus a monthly fee of USD \$5,000 for services rendered in the first month of the Consulting Agreement and USD \$4,000/month for services rendered in all remaining months under the term of the Consulting Agreement. Other than the Initial Fee for the Initial Services, compensation for all other services provided under the Consulting Agreement will be on a fee for service basis.

Additionally, Plutus will, in compliance with applicable securities laws and regulations, assist the Company with the Offering. Plutus will coordinate introductions to potential investors of the Offering to raising a minimum amount of CAD \$500,000, with the provision that the total amount of the financing would not exceed CAD \$3,000,000 in the Offering, subject to regulatory approval. Plutus will not receive any fee in connection with such coordinated services of the Offering. The initial term of the Consulting Agreement is six months and the parties may extend the term by mutual written agreement. The Consulting Agreement may be terminated by either party upon thirty (30) days written notice to the other party.

About XORTX Therapeutics Inc.

XORTX is a pharmaceutical company with two clinically advanced products in development: 1) our lead, XRx-008 program for ADPKD; and 2) our secondary program in XRx-101 for acute kidney and other acute organ injury associated with Respiratory Viral infection. In

addition, XR_x-225 is a pre-clinical stage program for Type 2 Diabetic Nephropathy. XORTX is working to advance its clinical development stage products that target aberrant purine metabolism and xanthine oxidase to decrease or inhibit production of uric acid. At XORTX, we are dedicated to developing medications to improve the quality of life and future health of patients with kidney disease. Additional information on XORTX is available at www.xortx.com.

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Neither the TSX Venture Exchange nor Nasdaq has approved or disapproved the contents of this news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

Forward Looking Statements

This press release contains express or implied forward-looking statements pursuant to U.S. Federal securities laws. For example, XORTX is using forward-looking statements when it discusses the expected mix of securities offered, the timing of the closing of the Offering, the satisfaction of customary closing conditions of the Offering. These forward-looking statements and their implications are based on the current expectations of the management of XORTX only, and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The Offering may not occur, may be delayed or may be completed with different terms than are currently contemplated. Except as otherwise required by law, XORTX undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. More detailed information about the risks and uncertainties affecting XORTX is contained under the heading "Risk Factors" in XORTX's Registration Statement on Form F-1 filed with the SEC, which is available on the SEC's website, www.sec.gov (including any documents forming a part thereof or incorporated by reference therein), as well as in our reports, public disclosure documents and other filings with the securities commissions and other regulatory bodies in Canada, which are available on www.sedar.com.

Source: XORTX Therapeutics Inc.