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Drawdown of Tranche 3 under the Convertible Note Facility

Paradigm Biopharmaceuticals Ltd. (ASX: PAR) ("Paradigm" or "the Company") a late-stage drug development company focused on delivering new therapies to address unmet medical needs, advises that it has completed the drawdown of Tranche 3, valued at US$5 million (approximately A$7.6 million), under its US$27 million (A$41.2 million) Convertible Note Facility with Obsidian Global Partners, LLC.

The Tranche 3 drawdown provides additional working capital to support the continued execution and scaling of Paradigm's global Phase 3 clinical trial (PARA_OA_012), evaluating injectable pentosan polysulfate sodium (iPPS) for the treatment of knee osteoarthritis, as the Company approaches the planned 50% recruitment milestone.

The Tranche 1 and Tranche 2 drawdowns occurred (and were announced by the Company) on 1 July 2025 and 17 November 2025, respectively.

Since the Tranche 2 drawdown, Paradigm has progressed further into active global trial execution, with continued momentum in site activation, patient screening and enrolment across multiple jurisdictions. Operational intensity is increasing across the United States and Australia, alongside expanding international site participation in Hong Kong and Moldova supported by the Company's global CRO network.

This Tranche 3 drawdown aligns with the program's transition into a period of elevated clinical activity, characterised by higher patient throughput, increased dosing and monitoring requirements, and advancing regulatory engagement in parallel with trial progression. The Tranche 3 drawdown provides funding continuity to support these activities as the Company advances toward key recruitment and interim analysis milestones.

Following completion of this Tranche 3 drawdown, approximately US$10 million (approximately A$15.3 million) remains available under the facility, providing continued financial flexibility to support Phase 3 execution, interim analysis preparation and early-stage commercial readiness initiatives.

Paradigm continues to maintain disciplined capital management, ensuring expenditure remains aligned with operational progress. The Company remains funded through several key milestones, including the interim analysis planned for mid-2026.

About Paradigm Biopharmaceuticals

Paradigm Biopharmaceuticals Ltd. (ASX: PAR) is a late-stage drug development company driven by a purpose to improve patients' health and quality of life by discovering, developing, and delivering pharmaceutical therapies. Paradigm's current focus is developing iPPS for the treatment of diseases where inflammation plays a major pathogenic role, indicating a need for

the anti-inflammatory and tissue regenerative properties of PPS, such as in osteoarthritis (phase 3).

Forward Looking Statements

This Company announcement contains forward-looking statements, including statements regarding anticipated commencement dates or completions dates of preclinical or clinical trials, regulatory developments, and regulatory approval. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties, and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this presentation. Readers are cautioned not to put undue reliance on forward-looking statements.

Authorised for release by the Paradigm Board of Directors.

FOR FURTHER INFORMATION PLEASE CONTACT:

Simon White
Director of Investor Relations
Tel: +61 404 216 467
Paradigm Biopharmaceuticals Ltd.
ABN: 94 169 346 963
Level 15, 500 Collins St, Melbourne, VIC, 3000, AUSTRALIA
Email: investorrelations@paradigmbiopharma.com

Paradigm Biopharma

For more information please visit:
https://investors.paradigmbiopharma.com