

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of May 2025

Commission File Number: 001-40858

XORTX Therapeutics Inc.

3710 – 33rd Street NW, Calgary, Alberta, T2L 2M1

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.
Form 20-F ☒ Form 40-F ☐

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

XORTX THERAPEUTICS INC.
(Registrant)

Date: May 15, 2025

By: /s/ Allen Davidoff

Name: Allen Davidoff

Title: Chief Executive Officer

EXHIBIT INDEX

99.1	Condensed Interim Consolidated Financial Statements for the three months ended March 31, 2025
99.2	Management Discussion and Analysis for the three months ended March 31, 2025
99.3	CEO Certificate
99.4	CFO Certificate



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2025 and 2024

(Unaudited - expressed in U.S. Dollars)

XORTX THERAPEUTICS INC.**Condensed Interim Consolidated Statements of Financial Position**

(Unaudited - expressed in U.S. Dollars)

	Note	March 31, 2025	December 31, 2024
		\$	\$
Assets			
Current			
Cash	5	1,895,238	2,473,649
Accounts receivable		17,252	17,637
Prepaid expenses	6	190,949	185,412
Total Current Assets		2,103,439	2,676,698
Non-current			
Contract payments	7	1,200,000	1,200,000
Intangible assets	8	179,972	183,108
Property and equipment	9	15,257	34,721
Total Assets		3,498,668	4,094,527
Liabilities			
Current			
Accounts payable and accrued liabilities	10,13	415,688	147,205
Derivative warrant liability	12(h)	326,000	572,000
Lease obligation	11	15,662	38,785
Total Liabilities		757,350	757,990
Shareholders' Equity			
Share capital	12	18,912,699	18,493,571
Reserves	12	5,723,404	6,039,078
Obligation to issue shares	8(c)	24,746	24,746
Accumulated other comprehensive loss		(52,605)	(52,605)
Accumulated deficit		(21,866,926)	(21,168,253)
Total Shareholders' Equity		2,741,318	3,336,537
Total Liabilities and Shareholders' Equity		3,498,668	4,094,527

Nature of operations and going concern (Note 1)

Commitments (Note 16)

/s/ "Allen Davidoff"

Director

/s/ "Paul Van Damme"

Director

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

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XORTX THERAPEUTICS INC.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

For the three months ended March 31, 2025 and 2024

(Unaudited - expressed in U.S. Dollars)

	Note	2025	Three months ended March 31, 2024
		\$	\$
Expenses			
Research and development	13	276,309	73,643
Consulting, wages and benefits	13	283,915	224,721
Directors' fees	13	43,280	39,161
Investor relations		150,043	439,405
Professional fees	13	81,834	120,210
General and administrative		59,797	74,920
Public company costs		22,364	29,683
Travel		10,960	1,607
Amortization of property and equipment	9	19,464	20,246
Amortization of intangible assets	8	6,521	11,886
Share-based payments	12(g),13	8,969	53,134
Loss before other items		(963,456)	(1,088,616)
Fair value adjustment on derivative warrant liability	12(h)	246,000	(1,724,792)
Foreign exchange gain (loss)		362	(12,644)
Interest income		18,421	31,602
Transaction costs on derivative warrant liability	12(b)	-	(224,486)
Net loss and comprehensive loss for the period		(698,673)	(3,018,936)
Basic and diluted loss per common share		(0.19)	(1.24)
Weighted average number of common shares outstanding		3,737,101	2,429,268

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

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XORTX THERAPEUTICS INC.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - expressed in U.S. Dollars)

	Number of common shares	Share capital	Reserves	Obligation to issue shares	Accumulated deficit	Accumulated other comprehensive loss	Total
		\$	\$	\$	\$	\$	\$
Balance, December 31, 2023	1,998,848	17,056,535	5,468,257	24,746	(17,854,907)	(52,605)	4,642,026
Shares issued pursuant to private placement	899,717	1,032,549	-	-	-	-	1,032,549
Warrants exercised	5,000	21,814	-	-	-	-	21,814
Share issuance costs	-	(239,465)	-	-	-	-	(239,465)
Share-based payments	-	-	53,134	-	-	-	53,134
Comprehensive loss for the period	-	-	-	-	(3,018,936)	-	(3,018,936)
Balance, March 31, 2024	2,903,565	17,871,433	5,521,391	24,746	(20,873,843)	(52,605)	2,491,122
Shares issued pursuant to private placement	320,000	355,000	-	-	-	-	355,000
Pre-funded warrants issued	-	-	907,994	-	-	-	907,994
Reclassification of derivative warrant liability	-	-	123,651	-	-	-	123,651
Share issuance costs	-	(92,076)	(224,140)	-	-	-	(316,216)
Pre-funded warrants exercised	257,810	359,214	(359,211)	-	-	-	3
Share-based payments	-	-	69,393	-	-	-	69,393
Comprehensive loss for the year	-	-	-	-	(294,410)	-	(294,410)
Balance, December 31, 2024	3,481,375	18,493,571	6,039,078	24,746	(21,168,253)	(52,605)	3,336,537

Shares issued pursuant to at-the-market offering	73,871	113,547	-	-	-	-	113,547
Share issuance costs	-	(19,064)	-	-	-	-	(19,064)
Pre-funded warrants exercised	233,000	324,645	(324,643)	-	-	-	2
Share-based payments	-	-	8,969	-	-	-	8,969
Comprehensive loss for the period	-	-	-	-	(698,673)	-	(698,673)
Balance, March 31, 2025	3,788,246	18,912,699	5,723,404	24,746	(21,866,926)	(52,605)	2,741,318

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

XORTX THERAPEUTICS INC.

Condensed Interim Consolidated Statements of Cash Flows For the three months ended March 31, 2025 and 2024 (Unaudited - expressed in U.S. Dollars)

	Three months ended March 31,	
	2025	2024
	\$	\$
Cash provided by (used in):		
Operating activities		
Net loss for the period	(698,673)	(3,018,936)
Items not affecting cash:		
Amortization of property and equipment	19,464	20,246
Amortization of intangible assets	6,521	11,886
Fair value adjustment on derivative warrant liability	(246,000)	1,724,792
Share-based payments	8,969	53,134
Transaction costs on derivative warrant liability	-	224,486
Unrealized foreign exchange (gain) loss	(953)	7,406
Changes in non-cash operating assets and liabilities:		
Accounts receivable	385	29,828
Prepaid expenses	(1,752)	(402,068)
Accounts payable and accrued liabilities	268,309	45,374
	(643,730)	(1,303,852)
Investing activities		
Acquisition of intangible assets	(3,385)	(2,623)
	(3,385)	(2,623)
Financing activities		
Proceeds from issuance of equity instruments	113,547	2,000,549
Pre-funded warrants and warrants exercised	2	16,570
Share issuance costs	(22,849)	(297,607)
Payment of lease obligation	(23,123)	(15,945)
	67,577	1,703,567
Effect of foreign exchange on cash	1,127	(9,317)
(Decrease) Increase in cash	(578,411)	387,775
Cash, beginning of period	2,473,649	3,447,665
Cash, end of period	1,895,238	3,835,440
Supplemental Cash Flow and Non-Cash Investing and Financing Activities Disclosure		
Derivative warrant liability reclassified to share capital on exercise of warrants	-	6,775
Recognition of right-of-use asset	-	18,472
Deferred financing costs reclassified to share capital and transaction costs on derivative warrant liability	-	166,344

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

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements For the three months ended March 31, 2025 and 2024 (Unaudited - expressed in U.S. Dollars)

1. Nature of operations and going concern

XORTX Therapeutics Inc. (the “Company” or “XORTX”) was incorporated under the laws of Alberta, Canada on August 24, 2012.

XORTX is a public company listed on the TSX Venture Exchange (the “TSXV”) and on the Nasdaq Stock Market (“Nasdaq”) under the symbol “XRTX”. The Company’s operations and mailing address is 3710 – 33rd Street NW, Calgary, Alberta, Canada T2L 2M1 and its registered address is located at 550 Burrard Street, Suite 2900, Vancouver, British Columbia, V6C 0A3.

XORTX is a late-stage clinical pharmaceutical company focused on developing innovative therapies to treat gout and progressive kidney disease modulated by aberrant purine and uric acid metabolism in orphan disease indications such as allopurinol intolerant gout and autosomal dominant polycystic kidney disease, as well as more prevalent type 2 diabetic nephropathy, and fatty liver disease. The Company’s current focus is on developing products to slow and/or reverse the progression of these diseases.

The Company is subject to a number of risks associated with the successful development of new products and their marketing and the conduct of its clinical studies and their results. The Company will have to finance its research and development activities and its clinical studies. To achieve the objectives in its business plan, the Company plans to raise the necessary capital and to generate revenues. Although there is no certainty, management is of the opinion that additional funding for future projects and operations can be raised as needed. The products developed by the Company will require approval from the U.S. Food and Drug Administration and equivalent organizations in other countries before their sale can be authorized. If the Company is unsuccessful in obtaining adequate financing in the future, research activities will be postponed until market conditions improve. These circumstances and conditions indicate the existence of a material uncertainty that casts significant doubt about the Company’s ability to continue as a going concern.

2. Basis of preparation

Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 (IAS 34), Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in the annual financial statements prepared in accordance with IFRS Accounting Standards (“IFRS”) have been condensed or omitted. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2024.

Basis of Measurement and Presentation

These condensed interim consolidated financial statements have been prepared using the historical cost convention except for financial instruments which have been measured at fair value. These condensed interim consolidated financial statements were prepared on an accrual basis except for cash flow information.

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its 100% owned subsidiary, XORTX Pharma Corp. The accounts of the Company’s subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies. Inter-company transactions, balances and unrealized gains or losses on transactions are eliminated.

These condensed interim consolidated financial statements were approved for issue by the Board of Directors on May 14, 2025.

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements For the three months ended March 31, 2025 and 2024 (Unaudited - expressed in U.S. Dollars)

3. Material Accounting policies

These condensed interim consolidated financial statements have been prepared on a basis consistent with the material accounting policies disclosed in the annual financial statements for the year ended December 31, 2024.

4. Critical accounting judgments and estimates

The preparation of condensed interim consolidated financial statements requires management to make judgments and estimates that affect the amounts reported in the condensed interim consolidated financial statements and notes. By their nature, these judgments and estimates are subject to change and the effect on the condensed interim consolidated financial statements of changes in such judgments and estimates in future periods could be material. These judgments and estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these judgments and estimates.

Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods. Information about critical accounting judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the condensed interim consolidated financial statements are discussed below:

Share-based payment transactions and warrant liabilities

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Warrant liabilities are accounted for as derivative liabilities if the proceeds from exercise are either not fixed, denominated in a currency other than the functional currency, or can be settled on a net basis, and therefore do not meet the fixed for fixed criteria. Estimating fair value for share-based transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the instrument. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option or warrant, volatility and dividend yield and making assumptions about them.

Classification of contract payments

In concluding that contract payments are a non-current asset, management considered when future regulatory and clinical trial programs are anticipated to be completed. Management assessed that the future regulatory and clinical trial programs would not be completed within 12 months from period end and therefore classified the contract payments as a non-current asset.

Impairment of intangible assets

Patents (obtained and pending) and licenses are reviewed for impairment at each financial reporting date. If, in the judgment of management, future economic benefits will not flow to the Company, then the Company will assess the recoverable value of the asset. If the carrying value is greater than the recoverable value, the asset will be impaired to the recoverable value.

Determination of functional currency

In concluding that the U.S. dollar is the functional currency of the Company and its subsidiary, management considered the currency that mainly influences the cost of providing goods and services in the primary economic environment in which each entity operates and the currency in which funds from financing are generated, or if there has

been a change in events or conditions that determined the primary economic environment.

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited - expressed in U.S. Dollars)

4. Critical accounting judgments and estimates (continued)

Treatment of research and development costs

Costs to develop products are capitalized to the extent that the criteria for recognition as intangible assets in IAS 38 Intangible Assets are met. Those criteria require that the product is technically and economically feasible, the Company has the intention and ability to use the asset, and how the asset will generate future benefits. Management assessed the capitalization of development costs based on the attributes of the development project, perceived user needs, industry trends and expected future economic conditions. Management considers these factors in aggregate and applies significant judgment to determine whether the product is feasible. The Company has not capitalized any development costs as at March 31, 2025.

Leases

Value of right-of-use assets and lease obligations require judgement in determining lease terms such as extension options, determining whether a lease contract contains an identified asset to which the Company has the right to use substantially all of the economic benefits from, and the incremental borrowing rate applied. The Company estimates the incremental borrowing rate based on the lease term, collateral assumptions and the economic environment in which the lease exists. Renewal options are only included if management is reasonably certain that the option will be renewed.

Classification of pre-funded warrants

Management applied judgment when determining the appropriate classification of pre-funded warrants included in unit offerings. Management considered the characteristics of derivative instruments and concluded that the pre-funded warrants should be classified as an equity instrument.

Current and deferred taxes

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. Such differences may result in eventual tax payments differing from amounts accrued. Reported amounts for deferred tax assets and liabilities are based on management's expectation for the timing and amounts of future taxable income or loss, as well as future taxation rates. Changes to these underlying estimates may result in changes to the carrying value, if any, of deferred income tax assets and liabilities.

5. Cash

The Company's cash consists of cash held and interest-bearing deposits with the Company's bank and brokerage accounts. The current annual interest rate earned on these deposits is 4.15% (December 31, 2024 – 3.62%).

	March 31, 2025	December 31, 2024
	\$	\$
Cash	117,605	53,686
Interest-bearing deposits	1,777,633	2,419,963
	1,895,238	2,473,649

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited - expressed in U.S. Dollars)

6. Prepaid expenses

The Company's prepaid expenses relate to the following:

	March 31, 2025	December 31, 2024
	\$	\$
Research and development	-	1,167
Insurance	105,037	158,007
Investor relations conferences and services	70,268	19,490
Administrative services and other	15,644	6,748
	190,949	185,412

7. Contract payments

During the year ended December 31, 2020, the Company entered into an agreement with Prevail InfoWorks Inc. As part of the agreement, the Company paid \$1,200,000 through the issuance of units in the private placement that closed February 28, 2020, to be applied to future regulatory and clinical trial programs. The 108,590 units issued were measured by reference to their fair value on the issuance date, which is equal to CAD \$14.76 per unit.

8. Intangible assets

Cost	Total
	\$
Balance, December 31, 2023	336,803
Additions	38,924
Balance, December 31, 2024	375,727
Additions	3,385

Balance, March 31, 2025	379,112
Accumulated amortization	Total
	\$
Balance, December 31, 2023	161,549
Amortization	31,070
Balance, December 31, 2024	192,619
Amortization	6,521
Balance, March 31, 2025	199,140
Carrying values	Total
	\$
At December 31, 2024	183,108
At March 31, 2025	179,972

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited - expressed in U.S. Dollars)

8. Intangible assets (continued)

The Company has licensed intellectual property from various third parties. The intangible assets relate solely to licensed intellectual property and there are no other classes of intangible assets. The intangible assets are as described below:

- a) The Company has licensed from a third party (the “Licensor”), under patent rights purchase agreement dated July 9, 2013 and amended April 15, 2014, certain patents relating to allopurinol for the treatment of hypertension. The Company paid a total of \$40,000 to the Licensor per the terms of the agreement.
- The Company will also pay the Licensor royalties on the cumulative net revenues from the sale or sublicense of the product covered under the patent license until the later of (i) the expiration of the last patent right covering the product; and (ii) the expiration of ten years from the date of the first commercial sales of a product. As of March 31, 2025, no royalties have been accrued or paid.
- b) In December 2012, the Company entered into an agreement to license certain intellectual property relating to the use of all uric acid lowering agents to improve the treatment of metabolic syndrome. Under this patent rights purchase agreement, between the Company and Dr. Richard Johnson and Dr. Takahiko Nakagawa (the “Vendors”), the Company will pay the Vendors a royalty based on the cumulative net revenues from the sale or sublicense of the product covered under the licensed intellectual property until the later of (i) the expiration of the last patent right covering the product; and (ii) the expiration of 10 years from the date of the first commercial sales of a product. As of March 31, 2025, no royalties have been accrued or paid.
- c) Pursuant to a license agreement dated October 9, 2012 as amended on June 23, 2014, between the Company and the University of Florida Research Foundation, Inc. (“UFRF”), the Company acquired the exclusive license to a patent that claims the use of any uric acid lowering agent to treat insulin resistance. The Company has paid or is obligated to pay UFRF the following:
- i) An annual license fee of \$1,000;
 - ii) Reimburse UFRF for United States and/or foreign costs associated with the maintenance of the licensed patents;
 - iii) The issuance to UFRF of 180,397 shares of common stock of the Company. 160,783 have been issued to UFRF as at March 31, 2025 and December 31, 2024. The remaining shares to be issued are included in obligation to issue shares (\$24,746);
 - iv) Milestone payments of \$500,000 upon receipt of FDA approval to market licensed product in the United States of America and \$100,000 upon receipt of regulatory approval to market each licensed product in each of other jurisdictions;
 - v) Royalty payments of up to 1.5% of net sales of products covered by the license until the later of (i) the expiration of any patent claims; or (ii) 10 years from the date of the first commercial sale of any covered product in each country. Following commencement of commercial sales, the Company will be subject to certain annual minimum royalty payments that will increase annually to a maximum of \$100,000 per year. As at March 31, 2025, no royalties have been accrued or paid; and
 - vi) UFRF is entitled to receive a royalty of 5% of amounts received from any sub-licensee that are not based directly on product sales, excluding payments received for research and development or purchases of the Company’s securities at not less than fair market value. As at March 31, 2025, no royalties have been accrued or paid.

UFRF may terminate the agreement if the Company fails to meet the above-specified milestones.

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited - expressed in U.S. Dollars)

9. Property and equipment

Cost	Right-of-use asset	Equipment	Total
	\$	\$	\$
Balance, December 31, 2023	114,588	23,344	137,932
Additions	96,998	-	96,998
Balance, December 31, 2024	211,586	23,344	234,930
Additions	-	-	-
Balance, March 31, 2025	211,586	23,344	234,930
	Right-of-use asset	Equipment	Total
	\$	\$	\$
Balance, December 31, 2023	103,675	10,330	114,005

Amortization	78,525	7,679	86,204
Balance, December 31, 2024	182,200	18,009	200,209
Amortization	17,632	1,832	19,464
Balance, March 31, 2025	199,832	19,841	219,673

Carrying values	Right-of-use asset	Equipment	Total
	\$	\$	\$
At December 31, 2024	29,386	5,335	34,721
At March 31, 2025	11,754	3,503	15,257

The Company entered into an office lease during the year ended December 31, 2022 for which a right-of-use asset was recognized (Note 11). During the year ended December 31, 2024, the Company extended its office lease. A \$96,998 right-of-use asset addition was recognized with a corresponding \$96,998 increase to the lease liability.

10. Accounts payable and accrued liabilities

	March 31, 2025	December 31, 2024
	\$	\$
Trade payables	354,037	84,020
Accrued liabilities	61,651	63,185
Total	415,688	147,205

11. Lease obligation

The Company has entered into an office lease expiring in 2025, with an imputed interest rate of 8% per annum. A reconciliation of the outstanding lease obligation as at March 31, 2025 is as follows:

	\$
Balance, December 31, 2023	11,510
Additions	96,998
Lease payments	(69,723)
Balance, December 31, 2024	38,785
Lease payments	(23,123)
Balance, March 31, 2025	15,662

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements For the three months ended March 31, 2025 and 2024 (Unaudited - expressed in U.S. Dollars)

11. Lease obligation (continued)

The \$96,998 lease obligation addition recognized in the year ended December 31, 2024 relates to an extension of the office lease to May 31, 2025.

The following is a schedule of the Company's future minimum lease payments related to the office lease obligation:

	March 31, 2025	December 31, 2024
	\$	\$
2025	15,815	39,535
Total minimum lease payments	15,815	39,535
Less: imputed interest	(153)	(750)
Total present value of minimum lease payments	15,662	38,785
Less: current portion	(15,662)	(38,785)
Non-current portion	-	-

12. Share capital and reserves

a) Authorized and issued

Unlimited common shares – 3,788,246 issued at March 31, 2025 (December 31, 2024 – 3,481,375).

b) Issuances

Three months ended March 31, 2025:

On January 15, 2025, the Company issued 73,871 common shares in an at-the-market offering for gross proceeds of \$113,547. In connection with the offering, the Company incurred issuance costs of \$19,064. The costs were recorded as a reduction of equity.

On January 15, 2025, the Company issued 233,000 common shares for the exercise of pre-funded warrants at US\$0.00001 per share in the amount of \$2. An amount of \$324,643 was transferred from reserves to share capital as a result.

Three months ended March 31, 2024:

On February 15 and March 4, 2024, the Company closed two tranches of a non-brokered offering of 899,717 common share units at a price of CAD \$3.00 per common share unit for aggregate gross proceeds of \$2,000,549 (CAD \$2,699,151). Each common share unit consists of one common share and one warrant to purchase one common share at CAD \$4.50 per common share for a period of two years, provided, however that, if, the common shares on the TSXV trade at greater than CAD \$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 notice.

The proceeds were allocated \$968,000 to the derivative warrant liability (Note 12(g)) and the residual \$1,032,549 was allocated to common shares.

In connection with the offering, the Company paid finder's fees of \$97,241, representing a 5% finder's fee on certain subscriptions to qualified finders. The Company incurred additional cash share issuance costs of \$366,710. The costs were allocated between common shares and derivative warrant liability in proportion to their initial carrying amounts with \$239,465 recorded as a reduction of equity and \$224,486 recorded as transaction costs on derivative warrant liability.

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XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements For the three months ended March 31, 2025 and 2024 (Unaudited - expressed in U.S. Dollars)

12. Share capital and reserves (continued)

b) Issuances (continued)

On March 25, 2024, the Company issued 5,000 common shares for the exercise of warrants at CAD \$4.50 per share in the amount of \$16,570 (CAD \$22,500). An amount of \$5,244 was transferred from derivative warrant liability to share capital as a result.

c) Diluted Weighted Average Number of Common Shares Outstanding

	Three months ended March 31,	
	2025	2024
Basic weighted average common shares outstanding	3,737,101	2,429,268
Effect of outstanding securities	-	-
Diluted weighted average common shares outstanding	3,737,101	2,429,268

During the three months ended March 31, 2025 and 2024, the Company had a net loss, as such, the diluted loss per share calculation excludes any potential conversion of options and warrants that would decrease loss per share.

d) Common Share Purchase Warrants

A summary of the changes in warrants for the three months ended March 31, 2025 and the year ended December 31, 2024 is presented below:

	Number of Warrants	Weighted Average Exercise price
Balance, December 31, 2023	1,125,210	\$ 22.31
Granted – February 9, 2024	824,767	3.13 ⁽¹⁾
Granted – February 23, 2024	74,950	3.13 ⁽¹⁾
Granted – October 18, 2024	810,810	2.18
Exercised	(5,000)	3.13 ⁽¹⁾
Balance, March 31, 2025 and December 31, 2024	2,830,737	\$ 3.60

⁽¹⁾ Exercise price of CAD \$4.50.

During the year ended December 31, 2024, the Company amended the exercise price of 1,125,210 common share purchase warrants that were issued pursuant to private placements that closed in February 2021, October 2021 and October 2022. Pursuant to the policies of the TSXV the terms of the warrants, as amended, will be subject to an acceleration expiry provision such that if for any 10 consecutive trading dates during the unexpired term of the warrants, the closing price of the Company's shares on the exchange exceeds \$6.50, the exercise period of the warrants will be reduced to 30 days, starting seven days after the last premium trading day. All other terms of the warrants remain unchanged.

At March 31, 2025, the weighted average contractual remaining life of the unexercised warrants was 2.34 years (December 31, 2024 – 2.58 years).

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XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements For the three months ended March 31, 2025 and 2024 (Unaudited - expressed in U.S. Dollars)

12. Share capital and reserves (continued)

d) Common Share Purchase Warrants (continued)

The following table summarizes information on warrants outstanding at March 31, 2025:

Exercise Price	Number Outstanding	Expiry date	Remaining Contractual Life
\$5.00	198,333	February 9, 2026	0.86 years
\$5.00	270,211	October 15, 2026	1.54 years
\$5.00	101,111	October 15, 2026	1.54 years
\$5.00	555,555	October 7, 2027	2.52 years
CAD \$4.50	819,767	February 9, 2026	0.86 years
CAD \$4.50	74,950	February 23, 2026	0.90 years
\$2.18	810,810	October 18, 2029	4.55 years
Total	2,830,737		2.34 years

e) Pre-Funded Warrants

A summary of the changes in pre-funded warrants for the three months ended March 31, 2025 and the year ended December 31, 2024 is presented below:

	Number of Warrants	Weighted Average Exercise price
Balance, December 31, 2023	-	-
Granted – October 18, 2024	490,810	\$ 0.00001
Exercised	(257,810)	\$ 0.00001
Balance, December 31, 2024	233,000	\$ 0.00001
Exercised	(233,000)	\$ 0.00001
Balance, March 31, 2025	-	-

f) Finders' and Underwriters Warrants

A summary of the changes in finders' and underwriters' warrants for the three months ended March 31, 2025 and the year ended December 31, 2024 is presented below:

	Number of Warrants	Weighted Average Exercise price
Balance, March 31, 2025 and December 31, 2024	50,298	\$ 23.57

At March 31, 2025, the weighted average contractual remaining life of the unexercised finders' and underwriters' warrants was 2.00 years (December 31, 2024 – 2.24 years).

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2025 and 2024
(Unaudited - expressed in U.S. Dollars)

12. Share capital and reserves (continued)

f) Finders' and Underwriters Warrants (continued)

The following table summarizes information on finders' and underwriters' warrants outstanding at March 31, 2025:

Exercise Price	Number Outstanding	Expiry date	Remaining Contractual Life
CAD\$42.30	6,377	February 9, 2026	0.86 years
\$42.93	16,144	October 15, 2026	1.54 years
\$10.98	27,777	October 7, 2027	2.52 years
Total	50,298		2.00 years

g) Stock Options

The Company has an incentive Stock Option Plan (the "Plan") for directors, officers, employees, and consultants, under which the Company may issue stock options to purchase common shares of the Company provided that the amount of incentive stock options which may be granted and outstanding under the Plan at any time shall not exceed 10% of the then issued and outstanding common shares of the Company.

The weighted average fair value of stock options granted was estimated on the date of grant using the Black-Scholes option pricing model with the following data and assumptions:

	2024
Dividend yield	Nil
Annualized volatility	100%
Share price	CAD \$4.31
Risk-free interest rate	3.57%
Expected life	5 years

The risk-free interest rate is the yield on zero-coupon Canadian Treasury Bills of a term consistent with the assumed option life. The expected life of the option is the average expected period to exercise.

Volatility is based on the available historical volatility of the Company's share price, excluding specific time frames in which volatility was affected by specific transactions that are not considered to be indicative of the Company's expected share price volatility. The Company has not declared dividends in the past.

During the three months ended March 31, 2025, the Company recorded share-based payments of \$8,969 (2024 - \$53,134), in respect of the vesting of options issued in prior years.

A summary of the changes in stock options for the three months ended March 31, 2025 and the year ended December 31, 2024 is presented below:

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2025 and 2024
(Unaudited - expressed in U.S. Dollars)

12. Share capital and reserves (continued)

g) Stock Options (continued)

	Number of Options	Weighted Average Exercise price (CAD)
Balance, December 31, 2023	103,922	\$ 16.60
Granted – March 4, 2024	39,483	4.50
Granted – April 8, 2024	8,000	5.00
Granted – December 18, 2024	13,000	1.75
Expired	(16,642)	22.22
Balance, March 31, 2025 and December 31, 2024	147,763	\$ 10.80
Vested and exercisable, March 31, 2025	113,764	\$ 12.83

The weighted average contractual remaining life of the unexercised options was 2.77 years (December 31, 2024 - 3.02 years).

The following table summarizes information on stock options outstanding at March 31, 2025:

Exercise Price (CAD)	Number Outstanding	Number Exercisable	Expiry Date	Remaining Contractual Life
\$14.76	14,669	14,669	June 23, 2025	0.23 years
\$16.92	2,366	2,366	May 12, 2026	1.12 years
\$21.69	4,732	4,732	July 14, 2026	1.29 years
\$22.86	7,262	7,262	December 21, 2026	1.73 years
\$22.86	9,163	9,163	January 12, 2027	1.79 years
\$14.40	37,200	36,322	June 6, 2027	2.18 years
\$12.42	5,554	4,319	November 25, 2027	2.65 years
\$2.90	8,000	8,000	December 31, 2028	3.76 years
\$4.50	37,817	18,931	March 4, 2029	3.93 years
\$5.00	8,000	8,000	April 8, 2029	4.02 years
\$1.75	13,000	-	December 18, 2029	4.72 years
	147,763	113,764		

h) Derivative Warrant Liability

During the years ended December 31, 2024, 2022 and 2021, the Company issued warrants which were recorded as derivative financial liabilities as the exercise price was denominated in a currency other than the functional currency of the Company and in certain situations allow the holder to exercise the warrants on a cashless basis and therefore may be settled other than by the exchange of a fixed amount of cash. Under the cashless exercise option, the holders of these warrants may elect to settle the warrants on a cashless basis if the common shares are not subject to an effective registration statement at the time the holder wishes to exercise them. A contract that may be settled by a single net payment (generally referred to as net cash settled or net equity settled) is a financial liability and not an equity instrument.

These warrants are revalued at each reporting period and any gain or loss is recorded in profit or loss.

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited - expressed in U.S. Dollars)

12. Share capital and reserves (continued)

h) Derivative Warrant Liability (continued)

Effective January 1, 2023, with the change in functional currency of the Company to USD, the exercise price of warrants denominated in CAD is now denominated in a currency different than the functional currency of the Company and therefore these warrants now meet the definition of a derivative financial liability. Accordingly, all CAD denominated warrants recorded as equity instruments on January 1, 2023, were reclassified to derivative warrant liabilities at their estimated fair value as of that date.

The fair value of the warrants issued during the three months ended March 31, 2025 with an exercise price denominated in CAD was estimated at (\$nil) (2024 - \$968,000) on the date of grant using the Black-Scholes option pricing model with the following data and assumptions:

	2024
Dividend yield	Nil
Annualized volatility	130-135%
Share price	CAD \$3.10
Risk-free interest rate	4.17% – 4.36%
Expected life	2 years

The balance of the derivative warrant liabilities (level 3) is as follows:

Balance at December 31, 2023	\$ 531,000
Warrants issued February 9, 2024	865,000
Warrants issued February 23, 2024	103,000
Warrants exercised	(5,244)
Fair value adjustment	1,724,792
Balance at March 31, 2024	\$ 3,218,548
Reclassified to reserves	(123,651)
Fair value and other adjustments	(2,522,897)
Balance at December 31, 2024	\$ 572,000

Fair value adjustment	(246,000)
Balance at March 31, 2025	\$ 326,000

Significant assumptions used in determining the fair value of the derivative warrant liabilities at March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025	December 31, 2024
Share price	\$ 0.96	\$ 1.13
Risk-free interest rate	2.47%	2.92%
Dividend yield	0%	0%
Expected volatility	86%-130%	94%-134%
Remaining term (in years)	0.9-2.5	1.1-2.8

The fair value is classified as level 3 as expected volatility is determined using historical volatility and is therefore not an observable input.

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited - expressed in U.S. Dollars)

13. Related party transactions

All related party transactions were measured at fair value. All amounts due from/payable to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

During the three months ended March 31, 2025 and 2024, the Company incurred the following transactions with related parties:

- Wages and benefits and professional fees were paid or accrued to Allen Davidoff, the Chief Executive Officer ("CEO"), in the amount of \$84,186 (2024 - \$84,447).
- Fees were paid or accrued to Michael Bumby, the Chief Financial Officer ("CFO") of the Company in the amount of \$38,903 (2024 - \$38,017 (paid or accrued to the former CFO)).
- Research and development fees were paid or accrued to Haworth Biopharmaceutical, a company owned by Stephen Haworth, the Chief Medical Officer ("CMO") of the Company in the amount of \$24,000 (2024 - \$24,000).
- Consulting fees were paid or accrued to Stacy Evans, the Chief Business Officer ("CBO") of the Company in the amount of \$37,500 (2024 - \$45,000).
- Directors' fees were paid or accrued to the directors of the Company in the amount of \$45,833 (2024 - \$41,821). The amount includes director fees payment of \$33,811 for the three months ended March 31, 2025 (2024 - \$30,663) to Anthony Giovinazzo, Chairman of the Company.
- As at March 31, 2025, \$12,034 (December 31, 2024 - \$11,120) was payable to directors of the Company, \$13,695 (December 31, 2024 - \$7,705) was payable and accrued to the CFO of the Company for CFO services, \$16,000 (December 31, 2024 - \$8,000) was payable and accrued to the CMO of the Company for consulting services, and \$12,500 (December 31, 2024 - \$12,500) was payable and accrued to the CBO of the Company for consulting services. The balances are unsecured, non-interest bearing, and have no fixed terms of repayment.
- Management and directors' compensation transactions for the three months ended March 31, 2025 and 2024 are summarized as follows:

XORTX THERAPEUTICS INC.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited - expressed in U.S. Dollars)

13. Related party transactions (continued)

	Management Compensation	Directors' fees	Share-based payments	Total
	\$	\$	\$	\$
Three months ended March 31, 2024				
Directors and officers	191,464	41,821	38,103	271,388
Three months ended March 31, 2025				
Directors and officers	184,589	45,833	4,949	235,371

14. Financial instruments and risk management

The Company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, lease obligation and derivative warrant liability. The fair values of cash and accounts payable and accrued liabilities and lease liability approximate their carrying values at March 31, 2025, due to their short-term nature. Derivative warrant liability is carried at fair value and is classified within Level 3 of the fair value hierarchy.

The Company thoroughly examines the various financial instruments and risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include foreign currency risk, interest rate risk, market risk, credit risk, and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors

There have been no changes in any risk management policies since December 31, 2024.

15. Capital management

The Company defines capital that it manages as shareholders’ equity. The Company manages its capital structure in order to have funds available to support its research and development and sustain the future development of the business. When managing capital, the Company’s objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support its activities.

Since inception, the Company’s objective in managing capital is to ensure sufficient liquidity to finance its research and development activities, general and administrative expenses, expenses associated with intellectual property protection, and its overall capital expenditures. There were no changes during the three months ended March 31, 2025. The Company is not exposed to external requirements by regulatory agencies regarding its capital.

XORTX THERAPEUTICS INC.
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2025 and 2024
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16. Commitments

The Company’s long-term arrangements that are not recognized as liabilities as at March 31, 2025 and December 31, 2024 are as follows:

a) Employment Agreements

	March 31, 2025	December 31, 2024
	\$	\$
Management services – officers	321,000	321,000

The President, CEO, and a director of the Company has a long-term employment agreement with the Company. The agreement has a termination clause whereby he is entitled to the equivalent of 12 times his then current monthly salary which, as of March 31, 2025 and December 31, 2024, equated to an annual salary of \$321,000.

b) Payments

In the normal course of business, the Company has committed to payments totaling \$227,122 (December 31, 2024 - \$323,000) related to its clinical trial, and manufacturing, activities, and other regular business activities which are expected to occur over the next two years.

17. Segmented information

The Company operates in one reportable operating segment: the development and commercialization of therapies to treat hyperuricemia related diseases. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts. All long-term assets of the Company are located in Canada.

XORTX THERAPEUTICS INC.
Management Discussion and Analysis
For the three months ended March 31, 2025

This management discussion and analysis of financial position and results of operations (“**MD&A**”) is prepared as at May 14, 2025 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2025 and 2024 of XORTX Therapeutics Inc. (the “**Company**” or “**XORTX**”), together with the audited financial statements of the Company for the years ended December 31, 2024 and 2023, as well as the accompanying MD&A for the period then ended (the “**Annual MD&A**”).

The referenced unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”), including International Accounting Standard 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“**IASB**”) and Interpretations of the IFRS Interpretations Committee (“**IFRIC**”). All dollar amounts included therein and in the following MD&A are expressed in United States dollars except where noted.

The Company’s critical accounting estimates, significant accounting policies and risk factors as disclosed in the Annual MD&A have remained substantially unchanged and are still applicable to the Company unless otherwise indicated.

In this discussion, unless the context requires otherwise, references to “we” or “our” are references to XORTX Therapeutics Inc.

CORPORATE INFORMATION

XORTX was incorporated under the laws of Alberta, Canada on August 24, 2012, under the name ReVasCor Inc. and continued under the Canada Business Corporations Act on February 27, 2013, under the name of XORTX Pharma Corp. Upon completion of a reverse take-over transaction on January 10, 2018, with APAC Resources Inc., a company incorporated under the laws of British Columbia, the Company changed its name to “XORTX Therapeutics Inc.” and XORTX Pharma Corp. became a wholly-owned subsidiary. The Company’s operations and mailing address is 3710 – 33rd Street NW, Calgary, Alberta, Canada T2L 2M1 and its registered address is located at 250 Howe Street, 20th Floor, Vancouver, British Columbia, V6C 3R8. The Company’s shares trade on the TSX Venture Exchange (“**TSXV**”) and on the Nasdaq Stock Exchange (“**Nasdaq**”) under the symbol “**XRTX**”, and on the Börse Frankfurt under the symbol “**ANU**”.

FORWARD LOOKING STATEMENTS

This MD&A contains certain statements, other than statements of historical fact that are forward-looking statements, which reflect the current view of the Company with respect to future events including corporate developments, financial performance and general economic conditions which may affect the Company.

All statements other than statements of historical fact contained in this MD&A, including statements regarding our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management and expected market growth are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

The words “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” “would” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements include, among other things, statements about:

- our ability to obtain additional financing;

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- the accuracy of our estimates regarding expenses, costs associated with clinical trials, regulatory and commercial activities, future revenues and capital requirements;
- the success and timing of our preclinical studies and clinical trials;
- our ability to obtain and maintain regulatory approval of **XORLO™**, XORTX’s proprietary formulation of oxypurinol for use in the Company’s **XRx-026** program to treat gout, and alternative proprietary formulations of oxypurinol for its **XRx-008** program to treat ADPKD, and any other product candidates we may develop, and the labeling under any approval we may obtain;
- regulatory approvals and other regulatory developments in the United States and other countries;
- the performance of third-party manufacturers and contract research organizations;
- our plans to develop and commercialize our product candidates;
- our plans to advance research in other kidney disease applications;
- our ability to obtain and maintain intellectual property protection for our product candidates;
- the successful development of our sales and marketing capabilities;
- the potential markets for our product candidates and our ability to serve those markets;
- the rate and degree of market acceptance of any future products;
- the success of competing drugs that are or become available; and
- the loss of key scientific or management personnel.

XORTX relies on certain key expectations and assumptions in making the forecasts, projections, predictions or estimations set out in forward-looking information. These factors and assumptions are based on information available at the time that the forward-looking information is provided. These include, but are not limited to, expectations and assumptions concerning:

- the availability of capital on acceptable terms to fund planned expenditures;
- prevailing regulatory, tax and environmental laws and regulations; and
- the ability to secure necessary personnel, equipment and services.

Undue reliance should not be placed on forward-looking information because a number of risks and factors may cause actual results to differ materially from those set out in such forward-looking information. These include:

- the availability of capital on acceptable terms;
- incorrect assessments of the value of acquisitions, licenses and development programs;
- technical, manufacturing and processing problems;
- actions by governmental authorities, including increases in taxes and tariffs;
- fluctuations in foreign exchange, currency, or interest rates and stock market volatility;
- failure to realize the anticipated benefits from licenses or acquisitions;
- the other factors specifically identified as risk factors in this MD&A; and

potential labour unrest.

Readers are cautioned that the foregoing list of factors should not be construed as exhaustive. Further information relating to risks is included in this MD&A under Risks Related to the Business.

Except as may be required by applicable law or stock exchange regulation, XORTX undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements. If XORTX does update one or more forward-looking statements, no inference should be drawn that additional updates will be made with respect to those or other forward-looking statements. Additional information relating to the Company is available by accessing the SEDAR+ website at www.sedarplus.ca.

BUSINESS OVERVIEW

XORTX is a late-stage clinical pharmaceutical company, focused on developing and potentially commercializing innovative therapies to treat diseases modulated by aberrant purine and uric acid metabolism in indications such as gout, autosomal dominant polycystic kidney disease (“ADPKD”), an orphan (rare) disease, and larger, more prevalent type 2 diabetic nephropathy (“T2DN”), as well as acute kidney injury (“AKI”) associated with respiratory virus infection.

Our focus is on developing unique therapeutic products to:

- 1/ treat gout patients, specifically those that have shown an intolerance to treatment with allopurinol;
- 2/ slow or reverse the progression of chronic kidney disease in patients at risk of end stage kidney failure;
- 3/ address the immediate need of individuals facing AKI associated with respiratory virus infection; and
- 4/ identify other opportunities where our existing and new intellectual property can be leveraged to address health issues.

We believe that our technology is underpinned by well-established research and insights into the underlying biology of aberrant purine metabolism, chronically high serum uric acid and its health consequences. Our aim is to advance a novel proprietary formulation of oxypurinol, a uric acid lowering agent that works by effectively inhibiting xanthine oxidase. We are developing product candidates that include new or existing drugs that can be adapted to address disease indications where aberrant purine metabolism and/or elevated uric acid is a common denominator, including gout, polycystic kidney disease, pre-diabetes, insulin resistance, metabolic syndrome, diabetes, diabetic nephropathy, and infection. We are focused on building a pipeline of assets to address the unmet medical needs of patients with a variety of serious or life-threatening diseases using our innovative formulation of oxypurinol, and in combination with uric acid lowering agents - a pipeline-in-a-product strategy supported by our intellectual property, established exclusive manufacturing agreements, and proposed clinical trials with experienced clinicians.

Our four current unique product development programs are:

- **XRx-026**, a program for the treatment of gout;
- **XRx-008**, a program for the treatment of ADPKD;
- **XRx-101**, a program to treat AKI associated with respiratory virus infection and associated health consequences; and
- **XRx-225**, a program for the treatment of T2DN.

At XORTX, we aim to develop medications to improve the quality of life of patients with life threatening diseases by modulating aberrant purine and uric acid metabolism.

Our Proprietary Therapeutic Platforms

Our expertise and understanding of the pathological effects of aberrant purine metabolism combined with our understanding of uric acid lowering agent structure and function, has enabled the development of our proprietary therapeutic platforms. These are a complementary suite of therapeutic formulations and new chemical entities designed to provide unique solutions for acute and chronic disease. Our therapeutic platforms can be used alone, or in combination, with synergistic activity for a tailored approach to a variety of indications. We continue to leverage these therapeutic platforms to expand our pipeline of novel and next generation drug-based product candidates. We believe these could represent significant improvements to the standard of care in multiple acute and chronic cardiovascular and renal diseases.

We believe our in-house drug design and formulation capabilities confer a competitive advantage to our therapeutic platforms. Some of these key advantages are:

Highly Modular and Customizable

Our platforms can be combined in multiple ways and this synergy can be applied to address acute, intermittent or chronic disease progression. For example, our XRx-026 and XRx-008 programs are designed for longer term stable chronic oral dosing of xanthine oxidase inhibitors (“XOI”). We believe that our formulation technology allow us to manage the unique challenges of cardiovascular and renal disease by modulating purine metabolism and its negative health consequences on the body. Our XRx-101 program for AKI associated with respiratory virus infection is designed to produce rapid suppression of hyperuricemia and then maintain purine metabolism at a low level during viral infection and target management of acute organ injury.

Fit-for-purpose

Our platforms can be utilized to engineer new chemical entities and formulations of those agents that have enhanced properties. For example, our XRx-225 product candidate program represents a potential new class of xanthine oxidase inhibitor(s) with a design that enhances their anti-inflammatory activity. The capability of tailoring the potential therapeutic benefit of this class of new agents permits us to identify targets and diseases that may respond to treatment. Through rational design, we can further optimize proprietary formulations to maximize their clinical potential and importantly their therapeutic effects, while minimizing their side effect profile.

Readily Scalable and Transferable

Our in-house small molecule and formulations design expertise can create a steady succession of drug product candidates that are scalable, efficient to manufacture and produce large scale, high purity active pharmaceutical drug product. We believe this will provide a competitive advantage, new intellectual property and the opportunity to provide first-in-class products that target unmet medical needs and meaningful improvements to quality of life.

Our team’s expertise in uric acid lowering agents, specifically in the development and use of xanthine oxidase inhibitors, has enabled the development of our therapeutic product candidates to treat the symptoms of, and potentially delay the progression of gout, ADPKD, AKI associated with respiratory virus infection, and T2DN.

Product Candidate Pipeline

Our product candidates include XRx-026, XRx-008, XRx-101, and XRx-225. Our lead program, XRx-026 is designed to treat gout. This program has recently been elevated in status as it represents a near-term opportunity for marketing approval and revenue generation. The Company believes that this program has sufficiently advanced through required chemistry, manufacturing pharmacology, toxicology and clinical studies. Discussions with the FDA are ongoing to confirm readiness for NDA submission to gain market approval through the Section 505(b)(2) regulatory pathway.

The Company's second program, XRx-008 for the treatment of ADPKD, has reported topline results for the XRr-OXY-101 Bridging Pharmacokinetic Study of XORLO™ (the "XRr-OXY-101 PK Clinical Trial") in advance of initiating Phase 3 registration clinical trial testing, the last stage of clinical development before application for FDA approval. Discussions with the FDA have confirmed that a single clinical trial with a one-year treatment period would be sufficient to make this program eligible for accelerated approval, once the benefit of XORLO™ on decreasing the rate of decline of glomerular filtration rate has been demonstrated.

Our reported study XRr-OXY-101 supports both the XRx-008 and XRx-101 programs. Future late-stage clinical studies targeting attenuation or reversal of AKI in hospitalized individuals with respiratory virus infection are planned. XRx-225 is a non-clinical stage program advancing new chemical entities toward the clinical development stage for the treatment of T2DN.

Products

With respect to the Company's lead and most advanced development program, XRx-026, the FDA has provided responses to the Company's Type B Meeting Package clarifying the remaining steps needed for submission of an NDA through the Section 505(b)(2) regulatory pathway for the treatment of gout. XORTX intends to advance this drug to marketing approval pending its FDA discussions. The Company believes that peak net sales revenue for this product could reach more than \$500 million USD per year.

XRx-008 is XORTX's late clinical stage program focused on demonstrating the potential of its novel product candidate for ADPKD. XRx-008 is the development name given to XORTX's therapeutics program and associated proprietary oral formulation of oxypurinol, appropriate for use in individuals with progressively decreasing kidney filtering capacity.

XORTX is also developing a drug product combination therapy that includes both intravenous uric acid lowering therapy combined with an oral anti-hyperuricemic xanthine oxidase inhibitor, XRx-101, for use in treating patients with AKI associated with respiratory virus infection and/or associated co-morbidities including sepsis.

XORTX is currently evaluating novel XOI candidates for its XRx-225 program to treat T2DN as well as developing new chemical entities to address other orphan and large market disease patients with unmet medical needs.

Patents

XORTX is the exclusive licensee of two U.S. granted patents with claims to the use of all uric acid lowering agents to treat insulin resistance and diabetic nephropathy. Counterparts for some of these patent applications have also been submitted in Europe. In both the US and Europe, XORTX wholly owns composition of matter patents and patent applications for unique proprietary formulations of xanthine oxidase inhibitors. To date three patents have been granted: one in the U.S. and two in Europe. In addition, XORTX has submitted two patent applications to cover the use of uric acid lowering agents for the treatment of the health consequences of respiratory virus infection. Recently, XORTX filed a third provisional patent application covering formulations and methods of dosing xanthine oxidase inhibitors in individuals with kidney disease.

OUR STRATEGY

The Company's goal is to apply our interdisciplinary expertise and pipeline-in-a-product strategy to further identify, develop and commercialize novel treatments for rare/orphan and broader indications related to health consequences associated with gout patients, progressive kidney disease and the health consequences of diabetes. To achieve this objective, we intend to pursue the following strategies:

1. Subject to discussions with US FDA, prepare commercial supply of drug substance and drug product, conduct a bridging pharmacokinetics study and then submit an NDA to the FDA, for the XRx-026 product candidate program, which we believe will address an unmet medical need for gout.
2. Subject to discussions with FDA, following the successful completion of the Phase 3 clinical registration trial of the XRx-008 product candidate program submit an NDA to the FDA, requesting review under the Accelerated Approval status. We believe the introduction of this class of drug could establish a new standard of care for ADPKD.
3. Maximize the potential of the XRx-026 and XRx-008 product candidate programs, if approved, through independent commercialization and/or through opportunistic collaborations with third parties.
4. Leverage our pipeline-in-a-product strategy and experience, developing additional proprietary formulations of xanthine oxidase inhibitor and/or uric acid lowering agents to treat select disease indications, and complement our activities through acquisitions and/or in-licensing opportunities in nephrology and diabetes when opportunities arise.

Our ability to implement our business strategy is subject to numerous risks. These risks include, among others (see "Risks Related to the Business"):

- we will require substantial additional funding, which may not be available to us on acceptable terms, or at all, and, if not available, may require us to alter, delay, scale back, or cease our product development programs or operations;
- we have incurred significant losses since inception and anticipate that we will continue to incur losses for the foreseeable future;
- we have a limited number of product candidates, all of which are still in various stages of development, and we may fail to obtain regulatory approval or experience significant delays in doing so;
- our product candidates may have undesirable side effects that may delay or prevent marketing approval or, if approved, require them to be taken off the market, require them to include contraindications, warnings and precautions, limitations of use, or otherwise limit their sales;
- we may be unable to obtain regulatory approval for our product candidates under applicable regulatory requirements, and the denial or delay of any such approval would delay commercialization of our product candidates, if approved, and adversely impact our potential to generate revenue, our business and our results of operations;
- security breaches, loss of data and other disruptions could compromise sensitive information related to our business or protected health information or prevent us from accessing critical information and expose us to liability, which could adversely affect our business and our reputation;
- our existing strategic partnerships are important to our business, and future strategic partnerships may also be important to us; if we are unable to maintain any of these strategic partnerships, or if these strategic partnerships are not successful, we may not realize the anticipated benefits of our strategic partnerships and our business could be adversely affected;
- we rely on third parties to monitor, support, conduct and oversee clinical trials of the product candidates that we are developing and, in some cases, to maintain regulatory files for those product candidates;
- our commercial success depends significantly on our ability to operate without infringing the patents and other proprietary rights of third parties and a third party could allege that the commercialization of one of our products infringes upon their intellectual property in some way;

- our patents covering one or more of our products or product candidates could be found invalid or unenforceable if challenged;
- if we are unable to obtain, maintain and enforce patent and trade secret protection for our product candidates and related technology, our business could be materially harmed; and
- if we are unable to protect the confidentiality of our proprietary information, the value of our technology and products could be adversely affected.

Funding Requirements

The Company has not generated any revenue from product sales to date and does not expect to do so until such time as XORTX obtains regulatory approval for and commercializes one or more of our product candidates. As the Company's development programs are currently in various stages of development, it will be some time before we expect to achieve commercialization of one or more of our products and it is uncertain that we ever will. We expect that we will continue to increase our operating expenses in connection with clinical and preclinical activities and the development of product candidates in our pipeline. We also expect to continue to seek strategic partnerships and additional collaboration opportunities. Further, we expect to continue our efforts to pursue additional grants and refundable tax credits from the Canadian government in order to further our research and development efforts. Although it is difficult to predict our funding requirements, based upon our current operating plan, the Company anticipates that our existing cash and cash equivalents as of March 31, 2025, combined with the net proceeds of future financings, will enable us to advance the development of the XR_x-026 and XR_x-008 product candidates. XR_x-026 is the Company's focus short term, subject to available funds. The XR_x-008, XR_x-101 and XR_x-225 programs will not be advanced until sufficient additional funding is available. A small portion of the Company's resources will be allocated to intellectual property development. XORTX may also be eligible to receive certain research, development, and commercial milestone payments in the future. However, because the successful development of our product candidates and the achievement of milestones by our strategic partners are uncertain, we are unable to estimate the actual funds required to complete the research, development, and commercialization of our product candidates.

RECENT DEVELOPMENTS

Financing Activities

On January 15, 2025, the Company issued 73,871 common shares in an at-the-market offering for gross proceeds of \$113,547.

Regulatory Advancements

On January 3, 2024, the Company announced the submission of a new patent for the treatment of chronic kidney disease ("CKD"). This patent is designed to protect new discoveries and strategies for the treatment of individuals with varied degrees of kidney function in the setting of CKD.

On April 28, 2025, the Company announced receipt of notification that the patent "Xanthine Oxidase Inhibitor Formulations" will be granted by the European Patent Office. The patent covers compositions and methods of formulating using XORTX's proprietary formulations of XO for the treatment of health consequences of chronically high uric acid, gout, renal, cardiovascular and other diseases where aberrant purine metabolism has been implicated in disease progression.

On April 30, 2025, the Company announced that it had received responses from the FDA on its Type B Meeting Package related to the development of XR_x-026 for the treatment of gout. The responses clarified the remaining steps for submission of an NDA to gain approval through the Section 505(b)(2) regulatory pathway. Final FDA minutes are pending formalization by XORTX and the FDA.

FUTURE PLANS AND OUTLOOK

XORTX intends to grow its business by developing four programs: one for the treatment of gout (XR_x-026); one for the treatment of ADPKD (XR_x-008); one to treat AKI associated with respiratory virus infection and associated health consequences (XR_x-101); and a program for the treatment of T2DN (XR_x-225).

Recent independent peer-reviewed research that reported that genetic factors are linked to the over-expression of xanthine oxidase ("XO") and play a role in several diseases, including kidney disease, have provided the Company with the opportunity to develop diagnostics that identify specific genetic factors. These diagnostic tools alongside the Company's expertise in developing unique formulations of uric acid lowering agents and XO inhibitors will permit XORTX to tailor treatments to subpopulations of individuals that have common susceptibility or similar responses to particular drugs. The Company will begin evaluating individuals as early as our planned registration clinical trial in patients with ADPKD providing XORTX with an opportunity to better understand the role these genetic factors play in progressive kidney disease.

In 2025, XORTX will focus on advancing its proprietary formulation of oxypurinol – XORLO™ – in the XR_x-026 program to provide a therapeutic option to patients with allopurinol intolerant gout. It will submit an IND, conduct a pharmacokinetics clinical trial, manufacture a clinical and commercial supply of drug, and in parallel, prepare a US FDA marketing approval application. The Company will also continue to advance a unique proprietary formulation of oxypurinol for the XR_x-008 program for ADPKD and for efficacy testing during a Phase 2/3 "registration" clinical trial program – XR_x-OXY-201. Discussions with the FDA and initiation of commercialization activities for XORLO™ will be a priority as will advancing research in other kidney disease applications. To achieve these objectives, XORTX's action plan includes:

1. **To advance the XR_x-026 program for the treatment of gout, with a specific focus on allopurinol intolerant gout.** Recently, the Company submitted a Type B Meeting Package with the FDA. The FDA responses clarified the remaining steps for submission of a NDA to gain approval through the Section 505(b)(2) regulatory pathway. Final FDA minutes are pending formalization by XORTX and the FDA. The Type B Meeting Package included the clinical development history including phase 1, 2 clinical study results, a prior approvable letter from the FDA for oxypurinol for gout. Pending further communications from the FDA, the Company anticipates submitting an IND, conducting a pharmacokinetics clinical trial, initiating commercial supply of drug product, preparing a NDA for submission in fiscal 2025, entering discussions with potential marketing and selling partners in the US and in other major global markets, and preparing for commercialization in late 2026. (Estimated cost - \$9 to \$18 million.)
2. **Under the XR_x-008 program, to initiate the Pivotal Registration clinical trial "XR_x-OXY-201", to support an application for the "Accelerated Approval" of a proprietary formulation of oxypurinol for individuals with ADPKD.** The XR_x-OXY-201 clinical trial is a Phase 2b/3a, Multi-Centre, Double-Blind, Placebo Controlled, Randomized Withdrawal Design Study to Evaluate the Efficacy and Safety of a Novel Oxypurinol Formulation in Patients with Progressing Stage 3-4 ADPKD and Coexistent Hyperuricemia. The XR_x-OXY-201 clinical trial will provide data for future "accelerated approval" NDA submissions to the FDA, and MAA submissions to the EMA. Subject to available financing, the XR_x-OXY-201 clinical trial is planned to start in the first half of 2025 and enroll individuals with stage 3 or 4 ADPKD and presenting with chronically high serum uric acid levels. The objective of the XR_x-OXY-201 clinical trial is to evaluate the ability of oxypurinol to slow the rate of decline of the glomerular filtration rate in ADPKD patients and/or the expansion of total kidney volume over a 12-month treatment period. An estimated 150 patients will be enrolled with 120 patients completing the study. (Estimated cost - \$5 million to \$30 million.)

3. **Under the XRx-008 program, prepare and communicate with the FDA and EMA regarding a second phase clinical trial named “XRX-OXY-301”, a full registration trial in ADPKD patients.** The XRX-OXY-301 clinical trial is a Phase 3, Multi-Centre, Double-Blind, Placebo Controlled, Randomized Withdrawal Design Study to Evaluate the Efficacy and Safety of a Novel Oxypurinol Formulation in Patients with Progressing Stage 2-4 ADPKD and Coexistent Hyperuricemia with Progressing Stage 2, 3, or 4 Kidney Disease. The objective of the XRX-OXY-301 clinical trial is to evaluate the safety and effectiveness of oxypurinol for the XRx-008 program over a 24-month treatment period and obtain FDA marketing approval and to characterize its ability to decrease the rate of decline of glomerular filtration rate. An estimated 300 patients will be enrolled. The XRX-OXY-301 clinical trial will not be scheduled or budgeted until XRX-OXY-201 is well underway, and may be subject to SPA review by FDA.
4. **Ongoing CMC Work.** In parallel with the preparation of regulatory communications with the FDA, the production of clinical and commercial supplies of XORLO™ for the XRx-026 program and pharmacokinetics clinical study – XRX-OXY-102 will be initiated. XORTX will focus on scale-up, validation and stability testing of clinical drug product supplies of XORLO™ under a new IND for gout, as well as building, validating and characterizing the stability of future clinical and commercial supplies. All development will be performed according to current GMP methodology. This work will be ongoing throughout 2025 to 2027. (Estimated cost of Clinical and Commercial drug supply - \$5 million to \$15 million.)
5. **Activities Related to Potential Commercial Launch.** In preparation for a possible commercial launch of the XORLO™ product associated with the XRx-026 development program, XORTX will conduct commercialization studies and an in-depth analysis of pricing and reimbursement, as well as evaluate product brand name selection, prepare related filings and conduct other launch preparation activities. In addition, similar work will be conducted for the XRx-008 program. This work will be ongoing throughout 2025 to 2027. (Estimated cost - \$1 and \$8 million.)
6. **Activities Related to European Registration.** XORTX will continue to work with and obtain guidance from the EMA to facilitate the path to potential approval of its XRx-026 and XRx-008 programs in the EU. This work will be ongoing in 2025 through 2027 and will include updating its information dossier to support an orphan drug designation from the EMA. (Estimated cost - \$1 and \$8 million.)

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To achieve the above goals, XORTX will continue to pursue non-dilutive and dilutive funding and expand discussions to partner with major pharma / biotech companies with a global reach. XORTX will also increase financial and healthcare conference participation to further strengthen and expand its investor base.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth unaudited quarterly results prepared by management for the eight previous quarters to March 31, 2025:

(unaudited)	2025 Q1	2024 Q4	2024 Q3	2024 Q2
Research and development	276,309	7,763	34,741	67,683
Consulting, wages and benefits	283,915	256,569	213,340	360,617
Directors' fees	43,280	42,467	40,144	46,371
Investor relations	150,043	181,897	236,603	502,265
Professional fees	81,834	26,487	195,527	274,635
General and administrative	59,797	72,006	81,765	92,258
Public company costs	22,364	24,845	30,823	56,053
Travel	10,960	13,581	—	16,728
Amortization of property and equipment	19,464	19,513	19,560	26,885
Amortization of intangible assets	6,521	6,631	6,389	6,164
Share based payments ⁽¹⁾	8,969	9,505	15,857	44,031
Gain on derivative warrant liability	(246,000)	(870,349)	(244,000)	(1,645,548)
Foreign exchange (gain) loss	(362)	57,336	(14,715)	17,744
Interest income	(18,421)	(25,331)	(29,023)	(35,952)
Transaction costs on derivative warrant liability	—	54,545	—	—
Total (loss) income	(698,673)	122,535	(587,011)	170,066
(Loss) income per share	(0.19)	0.04	(0.20)	0.06

(unaudited)	2024 Q1	2023 Q4	2023 Q3	2023 Q2
Research and development	73,643	134,132	569,713	667,913
Consulting, wages and benefits	224,721	260,607	249,033	343,606
Directors' fees	39,161	45,495	46,469	43,204
Investor relations	439,405	278,934	236,934	223,334
Professional fees	120,210	56,363	102,617	214,425
General and administrative	74,920	93,567	90,140	90,299
Public company costs	29,683	29,630	45,822	47,371
Travel	1,607	31,771	14,267	68,765
Amortization of property and equipment	20,246	18,300	18,329	18,328
Amortization of intangible assets	11,886	6,060	(1,862)	13,692
Share based payments ⁽¹⁾	53,134	28,815	21,850	30,769
Loss/(gain) on derivative warrant liability	1,724,792	(3,641,403)	—	—
Foreign exchange loss	12,644	8,320	3,668	3,494
Interest income	(31,602)	(49,815)	(63,614)	(73,312)
Transaction costs on derivative warrant liability	224,486	—	—	—
Total (loss) income	(3,018,936)	2,699,224	(1,333,366)	(1,691,888)
(Loss) income per share	(1.24)	1.38	(0.67)	(0.85)

Note: ⁽¹⁾ Share based payments relate to the vesting of options over the period.

Three months ended March 31, 2025

The Company had a net loss of \$698,673 (\$0.19 per share) for the three months ended March 31, 2025, compared to a net loss of \$3,018,936 (\$1.24 per share) in the three months ended March 31, 2024.

Variances within the loss items are as follows:

Consulting, wages and benefits - \$283,915 (2024 - \$224,721) – Consulting expenses increased during the three months ended March 31, 2025, as more consultants were engaged during the current quarter due to an increase in Company activity with respect to corporate development.

Investor relations - \$150,043 (2024 - \$439,405) – Investor relations expense decreased during the three months ended March 31, 2025 as the Company decreased its marketing and promotional activities.

Research and development - \$276,309 (2024 - \$73,643) – Research and development expenses increased in the three months ended March 31, 2025 compared to the same period last year as detailed in the following table:

The table below presents combined research and development costs for XRx-026, XRx-008, XRx-101, and XRx-225 as many of the Company's program activities are run concurrently and in combination.

	Q1 2025	Q1 2024	Change \$	Change %
Clinical trial expenses ¹	91,441	6,652	84,789	1,275%
Manufacturing and related process expenses ²	3,925	32,363	(28,438)	(88%)
Intellectual property expenses ³	7,465	5,138	2,327	45%
Translational science expenses ⁴	147,480	—	147,480	100%
External consultants expenses ⁵	25,998	29,490	(3,491)	(12%)
Total Research and development	276,309	\$ 73,643	202,667	275%

Notes:

- (1) Clinical trials expenses include those costs associated with our XRx-026, XRx-008 and XRx-101 programs. Included in clinical trials expenses are regulatory and consulting activities, contract research organization expenses, data management expenses, and other costs associated with our clinical trial programs. Clinical trial expenses increased mainly as the Company's updating its information dossier to support an orphan drug designation from the EMA and the submission of the Type B Meeting Package to the FDA.
- (2) Manufacturing and related process expenses includes third party direct manufacturing costs, quality control testing and packaging costs. In Q1 2025, manufacturing costs primarily related to the Company's oxypurinol quality control and stability related costs.
- (3) Intellectual property expenses include legal and filing and maintenance fees associated with our patent portfolio.
- (4) Translational science expenses include various research studies conducted to expand our intellectual knowledge base related to oxypurinol and our proprietary formulations of oxypurinol, pharmacokinetic testing, non-clinical bioavailability studies, pharmacology and toxicology testing, and identifying potential licensing opportunities.
- (5) External consultants' expenses include third party consultants engaged in the activities of research and development including chemistry, manufacturing, drug product development, regulatory, non-clinical and clinical study execution. The external consultants' expenses are largely comparable for the three months ended March 31, 2025 to the same period in 2024.

Gain on derivative warrant liability - \$246,000 (2024 – loss of \$1,724,792) – During the three months ended March 31, 2025, the gain relates to a decrease in the Company's share price and a decrease in the remaining terms of the warrants which decrease the value of the derivative warrant liability. The warrants included in the units issued under the offering in Q1-2024 have an exercise price in CAD dollars and are considered a derivative financial liability as the exercise price is in a different currency than the functional currency of the entity. The warrants are initially recognized at fair value and subsequently remeasured at fair value with changes recognized through profit or loss.

Comparison of cash flows for the three months ended March 31, 2025 and 2024

The Company realized a net cash outflow of \$578,411 for the three months ended March 31, 2025, compared to a cash inflow of \$387,775 for the three months ended March 31, 2024. The variances in the cash flow for the three months ended March 31, 2025, compared to March 31, 2024 were as follows:

Operating activities – Cash used in operating activities for the three months ended March 31, 2025, was \$643,730 (2024 - \$1,303,852). The cash used in operating activities was primarily due to the net loss during the period.

Investing activities – Cash used in investing activities for the three months ended March 31, 2025, was \$3,385 (2024 - \$2,623). The cash used was related to the acquisition of intangible assets during the period.

Financing activities – Cash provided by financing activities in the three months ended March 31, 2025, was \$67,577 (2023 – \$1,703,567). The cash provided was mostly related to the at-the-market offering that took place in January raising gross proceeds of CAD \$113,547 through the issuance of 73,871 common shares.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2025, the Company had a cash balance of \$1,895,238 and working capital of \$1,346,089 as compared to a cash balance of \$2,473,649 and working capital of \$1,918,708 as at December 31, 2024. Working capital included a non-cash component related to derivative warrant liability of \$326,000 (December 31, 2024 - \$572,000). If this non-cash amount was excluded, working capital would have been \$1,672,089 (December 31, 2024 - \$2,490,708). During the three months ended March 31, 2025, the Company closed an at-the-market offering that consisted of 73,871 common shares at an average price of CAD \$1.5371 per share for aggregate gross proceeds of CAD \$113,547.

Although there is no certainty, management is of the opinion that additional funding for its projects and operations can be raised as needed. The Company is subject to a number of risks associated with the successful development of new products and their marketing and the conduct of its clinical studies and their results. The Company will have to finance its research and development activities and its clinical studies. To achieve the objectives in its business plan, the Company plans to raise the necessary capital and to generate revenue. The products developed by the Company will require approval from the FDA and equivalent organizations in other countries before their sale can be authorized. If the Company is unsuccessful in obtaining adequate financing in the future, corporate initiatives will be affected. The Company's current cash burn is approximately \$250,000 per month, however dependent on financing activities, the timing of expenditures will be adjusted.

USE OF FINANCING PROCEEDS

The Company will use its existing and any future cash resources to fund its operations and general corporate purposes, including further research and development, and the manufacturing of active pharmaceutical ingredients and drug product to support clinical trials and regulatory approval.

COMMITMENTS

The Company has long-term commitments that are not recognized as liabilities as at March 31, 2025 and December 31, 2024 as follows:

Employment Agreements

	March 31, 2025	December 31, 2024
	\$	\$
Management services – officers	321,000	321,000

The President, CEO and a director of the Company has a long-term employment agreement with the Company. The agreement has a termination clause whereby he is entitled to the equivalent of 12 times his current monthly salary which, as of March 31, 2025 and December 31, 2024, equated to an annual salary of \$321,000.

Payments

In the normal course of business, the Company has committed to payments totaling \$227,122 (December 31, 2024 - \$323,000) for activities related to its clinical trials, manufacturing, collaboration programs and other regular business activities which are expected to occur over the next two years.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

All related party transactions were measured at fair value. All amounts due from/payable to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

During the three months ended March 31, 2025 and 2024, the Company incurred the following transactions with related parties:

- Wages and benefits and professional fees were paid or accrued to Allen Davidoff, the Chief Executive Officer (“CEO”), in the amount of \$84,186 (2024 - \$84,447).
- Fees were paid or accrued to Michael Bumby, the Chief Financial Officer (“CFO”) of the Company in the amount of \$38,903 (2024 - \$38,017 (paid or accrued to the former CFO)).
- Research and development fees were paid or accrued to Haworth Biopharmaceutical, a company owned by Stephen Haworth, the Chief Medical Officer (“CMO”) of the Company in the amount of \$24,000 (2024 - \$24,000).
- Consulting fees were paid or accrued to Stacy Evans, the Chief Business Officer (“CBO”) of the Company in the amount of \$37,500 (2024 - \$45,000).
- Directors’ fees were paid or accrued to the directors of the Company in the amount of \$45,833 (2024 - \$41,821). The amount includes director fees payment of \$33,811 for the three months ended March 31, 2025 (2024 - \$30,663) to Anthony Giovinazzo, Chairman of the Company.
- As at March 31, 2025, \$12,034 (December 31, 2024 - \$11,120) was payable to directors of the Company, \$13,695 (December 31, 2024 - \$7,705) was payable and accrued to the CFO of the Company for CFO services, \$16,000 (December 31, 2024 - \$8,000) was payable and accrued to the CMO of the Company for consulting services, and \$12,500 (December 31, 2024 - \$12,500) was payable and accrued to the CBO of the Company for consulting services. The balances are unsecured, non-interest bearing, and have no fixed terms of repayment.
- Management and directors’ compensation transactions for the three months ended March 31, 2025 and 2024 are summarized as follows:

	Management Compensation	Directors’ fees	Share-based payments	Total
	\$	\$	\$	\$
Three months ended March 31, 2024				
Directors and officers	191,464	41,821	38,103	271,388
Three months ended March 31, 2025				
Directors and officers	184,589	45,833	4,949	235,371

FINANCIAL AND CAPITAL RISK MANAGEMENT

The Company’s financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, lease obligation and derivative warrant liability. The fair values of cash and accounts payable and accrued liabilities approximate their carrying values at March 31, 2025, due to their short-term nature.

The Company thoroughly examines the various financial instruments and risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include foreign currency risk, interest rate risk, market risk, credit risk, and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors.

There have been no changes in any risk management policies since December 31, 2024.

Capital Management

The Company defines the capital that it manages as shareholders’ equity. The Company manages its capital structure in order to have funds available to support its research and development and sustain the future development of the business. When managing capital, the Company’s objective is to ensure the entity continues as a going concern as well as to achieve optimal returns for its shareholders and to provide benefits for its other stakeholders. Management adjusts the capital structure as necessary in order to support its activities.

The Company includes the following items in its managed capital as at the following periods:

	March 31, 2025	December 31 2024
Equity is comprised of:		

	\$	\$
Share capital	18,912,699	18,493,571
Reserves	5,723,404	6,039,078
Obligation to issue shares	24,746	24,746
Accumulated other comprehensive loss	(52,605)	(52,605)
Deficit	(21,866,926)	(21,168,253)

Since inception, the Company's objective in managing capital is to ensure sufficient liquidity to finance its research and development activities, general and administrative expenses, expenses associated with intellectual property protection and its overall capital expenditures. There were no changes during the three months ended March 31, 2025. The Company is not exposed to external requirements by regulatory agencies regarding its capital.

OUTSTANDING SHARE DATA

The Company has an unlimited number of unauthorized common shares without par value.

Type of Security	Common shares
As of May 14, 2025	(number)
Issued and outstanding	3,788,246
Stock options	147,763
Share purchase warrants	2,881,035
Fully diluted shares outstanding	6,817,044

RISKS RELATED TO THE BUSINESS

An investment in the Company is speculative and involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below, in addition to the other information contained in this MD&A, before making any decision to invest in the Company. The directors and officers of the Company consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not necessarily comprise all those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Company's directors and officers may also have an adverse effect on the Company's business. If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of the common shares could decline, and investors may lose all or part of their investments.

For additional discussion on XORTX's risks, refer to the "Risk Factors" section of the Company's Annual Information Form and the Form 20-F for the year ended December 31, 2024, as well as to the "Forward Looking Statements" section of this MD&A.

Speculative Nature of Investment Risk

An investment in the common shares of the Company carries a high degree of risk and should be considered as a speculative investment by purchasers. The Company has limited cash reserves, a limited operating history, has not paid dividends, and is unlikely to pay dividends in the near future. The Company's programs are in the development stage. Operations are not yet sufficiently established such that the Company can mitigate the risks associated with its planned activities.

Limited Operating History

The Company does not currently generate revenue from the sale of products. The Company is therefore subject to many of the risks common to early-stage enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial, and other resources. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and its likelihood of success must be considered in light of the early stage of its operations.

Negative Cash Flow for the Foreseeable Future

The Company has no history of earnings or cash flow from operations. The Company does not expect to generate material revenue or achieve self-sustaining operations for several years, if at all. To the extent that the Company will have negative cash flow in future periods, it will need to allocate a portion of its cash reserves to fund such negative cash flow.

Reliance on Management

The success of the Company is dependent upon the ability, expertise, judgment, discretion and good faith of its management. While employment agreements are customarily used as a primary method of retaining the services of key employees, those agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results and/or financial condition.

Clinical trials for potential drug candidates are expensive and time consuming, and their outcomes are uncertain.

Before the Company can obtain regulatory approval for the commercial sale of any drug candidate or attract major pharmaceutical companies with which to collaborate, it will be required to complete extensive clinical trials to demonstrate the safety and efficacy of its drug candidates. Clinical trials are expensive and are difficult to design and implement. The clinical trial process is time-consuming and can often be subject to unexpected delays. These delays relate to various causes, including but not limited to: inability to manufacture or obtain sufficient quantities of materials for use in clinical trials; delays arising from collaborative partnerships; delays in obtaining regulatory approvals to commence a study, or government intervention to suspend or terminate a study; delays, suspensions or termination of clinical trials by the applicable institutional review board or independent ethics board responsible for overseeing the study to protect research subjects; delays in identifying and reaching agreement on acceptable terms with prospective clinical trial sites; slow rates of patient recruitment and enrollment; uncertain dosing issues; inability or unwillingness of medical investigators to follow clinical protocols; variability in the number and types of subjects available for each study and resulting difficulties in identifying and enrolling subjects who meet trial eligibility criteria; scheduling conflicts; difficulty in maintaining contact with subjects after treatment resulting in incomplete data; unforeseen safety issues or side effects; lack of efficacy during clinical trials; reliance on clinical research organizations to efficiently and properly conduct clinical trials in accord with contracted arrangements and regulations or other regulatory delays.

Risks Related to Food and Drug Administration (FDA) Approval

In the United States, the FDA regulates the approval of therapeutics and the FDA notification and approval process requires substantial time, effort and financial resources to navigate. The Company cannot be certain that any approvals for its products will be granted on a timely basis, if at all. Other jurisdictions outside of the US have similar government regulatory bodies and requirements that the Company must meet prior to selling products in those jurisdictions.

The Company faces risks, expenses, shifts, changes and difficulties as do all companies whose businesses are regulated by various federal, state and local governments. The regulatory environment is ever changing particularly under the current US administration, the full impact of which is not yet understood. Changing regulations and any failure to follow applicable regulatory requirements will have a materially negative impact on the business of the Company. Furthermore, future changes in legislation cannot be predicted and could irreparably harm the business of the Company.

Intellectual Property Rights

The Company could be adversely affected if it does not adequately protect its intellectual property. The Company regards its marks, rights, and trade secrets and other intellectual property as critical to its success. To protect its investments and the Company's intellectual property, it may rely on a combination of patents, trademark and copyright law, trade secret protection and confidentiality agreements and other contractual arrangements with its employees, clients, strategic partners, acquisition targets and others. There can be no assurance that the steps taken by the Company to protect its Intellectual Property will be adequate or that third parties will not infringe or misappropriate the Company's copyrights, trademarks and similar proprietary rights, or that the Company will be able to detect unauthorized use of its Intellectual Property and take appropriate steps to enforce its rights. In addition, although the Company believes that its Intellectual Property does not infringe on the intellectual property rights of others, there can be no assurance that other parties will not assert infringement claims against the Company. Such claims, even if not meritorious, could result in the expenditure of significant financial and managerial resources.

The Company will rely on trade secrets to protect technology where it does not believe patent protection is appropriate or obtainable. Trade secrets are difficult to protect. While commercially reasonable efforts to protect trade secrets will be used, strategic partners, employees, consultants, contractors or scientific and other advisors may unintentionally or willfully disclose information to competitors.

If the Company is not able to defend patents or trade secrets, then it will not be able to exclude competitors from developing or marketing competing products, and the Company may not generate enough revenue from product sales to justify the cost of development of those products and to achieve or maintain profitability.

The results of preclinical and non-pivotal clinical trials are not necessarily predictive of future favorable results.

Preclinical tests and early clinical trials are primarily designed to test the safety and to understand the side effects of drug candidates and to explore efficacy at various doses and schedules. Success in preclinical or animal studies and early clinical trials does not ensure that later large-scale efficacy trials will be successful nor does it predict final results. Favorable results in early trials may not be repeated in later ones.

Difficulty to Forecast

The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources. A failure in the demand for its products to materialize as a result of competition, technological change, or other factors could have a materially adverse effect on the business, results of operations and financial condition of the Company.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company, such a decision could adversely affect the Company's ability to continue operating and could adversely affect the market price of the Company's common shares. Even if the Company is involved in litigation and wins, litigation can redirect significant Company resources.

Commercial success of the Company will depend in part on not infringing the patents and proprietary rights of other parties, and on enforcing its own patents and proprietary rights against others. The Company's research and development programs are in highly competitive fields in which numerous third parties have issued patents and pending patent applications with claims closely related to the subject matter of the Company's programs. The Company is not currently aware of any Intellectual Property related litigation or other proceedings or claims by third parties regarding its technologies or methods.

While it is the practice of the Company to undertake pre-filing searches and analyses of developing technologies, it cannot guarantee that it has identified every patent or patent application that may be relevant to the research, development, or commercialization of its products. Moreover, it cannot assure that third parties will not assert invalid, erroneous, or frivolous patent infringement claims.

Uninsurable Risks

The business of the Company may not be insurable or, insurance may not be purchased due to high cost. Should non-insured liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Company.

The market price of the Company's common shares may be subject to wide fluctuations.

The market price of the Company's common shares may be subject to wide fluctuations in response to many factors, including variability in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects of the Company, general economic conditions, legislative changes, and other events and factors outside of the Company's control. In addition, stock markets have from time-to-time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price of the Company's common shares.

Dividends

The Company has no earnings or dividend record and does not anticipate paying any dividends on the common shares in the foreseeable future.

Dilution

The financial risk of the Company's future activities will be borne to a significant degree by purchasers of common shares. If the Company issues common shares from its treasury for financing purposes, purchasers will suffer additional dilution and control of the Company could change.

Rapid Technological Change

The business of the Company is subject to rapid technological changes. Failure to keep up with such changes may adversely affect the business of the Company. The Company

is subject to the risks of companies operating in the medical and healthcare business. The market in which the Company competes is characterized by rapidly changing technology, evolving industry standards, frequent new service and product announcements, introductions and enhancements, and changing customer demands. As a result, an investment in shares of the Company is highly speculative and is only suitable for investors who recognize the high risks involved and can afford a total loss of their investment.

Risks Associated with Acquisitions

If appropriate opportunities present themselves, the Company may acquire businesses, technologies, services or products that the Company believes are strategic. The Company currently has no understandings, commitments or agreements with respect to any other material acquisition and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business. The process of integrating an acquired business, technology, service or product into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition. Any such future acquisitions of other businesses, technologies, services or products might require the Company to obtain additional equity or debt financing, which might not be available on terms favorable to the Company, or at all, and such financing, if available, might be dilutive.

Economic Environment

The Company's operations could be affected by the economic environment should the unemployment level, interest rates or inflation reach levels that influence consumer trends and consequently, impact the Company's future sales and profitability.

Global Economy Risk

The ongoing economic problems and downturn of global capital markets has generally made the raising of capital by equity or debt financing more difficult. Access to financing has been negatively impacted by the ongoing global economic risks. As such, the Company is subject to liquidity risks in meeting its development and future operating cost requirements. These factors may impact the Company's ability to raise equity or obtain loans and other credit facilities in the future and on terms favorable to the Company. If uncertain market conditions persist, the Company's ability to raise capital could be jeopardized which could have an adverse impact on the Company's operations and the trading price of the Company's Shares.

International Conflict

The continued impacts from the Russian invasion of Ukraine, the collapse of financial institutions such as the Silicon Valley Bank, the political and economic uncertainty under the new Trump administration in the U.S., and the resulting inflation and interest rate measures experienced globally, as well as the effects of certain countermeasures taken by central banks may adversely affect the Company. In particular, there continues to exist significant uncertainty about the future relationship between the US and other countries (including Canada) with respect to trade policies, treaties and tariffs and global stock markets have experienced great volatility. These developments, or the perception that any of them could occur, may have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global trade and, in particular, trade between the impacted nations and the US. Any of these factors may have a negative impact on the global or Canadian economy, and on the Company's business, financial condition, and results of operations.

Financial Risk Exposures

The Company may have financial risk exposure to varying degrees relating to the currency of each of the countries where it operates. The level of the financial risk exposure related to currency and exchange rate fluctuations will depend on the Company's ability to hedge such risk or other protection mechanisms.

Attracting and keeping senior management and key scientific personnel

The success of the Company depends on the continued ability to attract, retain, and motivate highly qualified management, clinical, and scientific personnel and to develop and maintain important relationships with leading academic institutions, companies, and thought leaders. Allen Davidoff, the Company's CEO, exercises significant control over the day-to-day affairs of the Company. The Company depends on Dr. Davidoff to engage with third parties and contractors to operate the business.

SEGMENT REPORTING

We view our operations and manage our business in one segment, which is the development and commercialization of biopharmaceuticals, initially focused on the treatment of gout and progressive kidney disease.

TREND INFORMATION

Other than as disclosed elsewhere, we are not aware of any trends, uncertainties, demands, commitments, or events that are reasonably likely to have a material effect on our net revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Company's management is responsible for the presentation and preparation of the financial statements and the MD&A. The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

The financial statements and information in the MD&A necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information, we must interpret the requirements described above, make determinations as to the relevancy of information included, and make estimates and assumptions that affect reported information. The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as anticipated.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings, or other reports filed or submitted by it under securities legislation is recorded, processed, summarized, and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Internal controls over financial reporting

Management designs and implements internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

The Company's internal controls over financial reporting include policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with the authorization of management and directors of the Company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

As at March 31, 2025, there has not been any material change to disclosure controls and procedures and internal controls over financial reporting for the period other than the weakness mitigating steps discussed below. Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures and internal controls over financial reporting. As of March 31, 2025, the Chief Executive Officer and Chief Financial Officer have each concluded that the Company's disclosure controls and procedures and internal controls over financial reporting, as defined in National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*, are now in place to achieve the purpose for which they have been designed. Material weaknesses identified during the annual audit have been addressed and new processes have been implemented to reduce any associated risks. However, the corrections to these material weaknesses have not yet been tested nor audited and the new controls have been in place for only a brief period and their effectiveness has not been proven. Readers of this MD&A and associated financial statements should take this into consideration. A material weakness is a deficiency or a combination of control deficiencies in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of annual or interim financial statements will not be prevented or detected on a timely basis. Because of their inherent limitations, internal controls over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. The control framework used to evaluate the effectiveness of the design and operation of the Company's internal controls over financial reporting is the 2013 Internal Control – *Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's design of internal controls and procedures over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting during the period covered by this MD&A, other than the work done to address the identified material weaknesses as discussed above.

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, Allen Davidoff, Chief Executive Officer of XORTX Therapeutics Inc., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of XORTX Therapeutics Inc. (the “issuer”) for the interim period ended March 31, 2025.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. **Responsibility:** The issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in *National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.
5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer(s) and I have, as at the end of the period covered by the interim filings:
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that:
 - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
- 5.1 **Control framework:** The control framework the issuer’s other certifying officer(s) and I used to design the issuer’s ICFR is COSO Financial Controls Framework.
- 5.2 **ICFR - material weakness relating to design:** N/A
- 5.3 **Limitation on scope of design:** N/A

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6. **Reporting changes in ICFR:** The issuer has disclosed in its interim MD&A any change in the issuer’s ICFR that occurred during the period beginning on January 1, 2025 and ended on March 31, 2025 that has materially affected, or is reasonably likely to materially affect, the issuer’s ICFR.

Date: May 15, 2025

/s/ Allen Davidoff
 Allen Davidoff
 Chief Executive Officer

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, Michael Bumby, Chief Financial Officer of XORTX Therapeutics Inc., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of XORTX Therapeutics Inc. (the “issuer”) for the interim period ended March 31, 2025.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. **Responsibility:** The issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in *National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.
5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer(s) and I have, as at the end of the period covered by the interim filings:
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that:
 - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
- 5.1 **Control framework:** The control framework the issuer’s other certifying officer(s) and I used to design the issuer’s ICFR is COSO Financial Controls Framework.
- 5.2 **ICFR - material weakness relating to design:** N/A
- 5.3 **Limitation on scope of design:** N/A

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6. **Reporting changes in ICFR:** The issuer has disclosed in its interim MD&A any change in the issuer’s ICFR that occurred during the period beginning on January 1, 2025 and ended on March 31, 2025 that has materially affected, or is reasonably likely to materially affect, the issuer’s ICFR.

Date: May 15, 2025

/s/ Michael Bumby
 Michael Bumby
 Chief Financial Officer