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Adial Pharmaceuticals Announces Research Collaboration with UC San Diego to Advance Purnovate's Adenosine Compounds as Potential Treatments for Inflammatory Diseases & Disorders

CHARLOTTESVILLE, Va., May 04, 2022 (GLOBE NEWSWIRE) -- **Adial Pharmaceuticals, Inc. (NASDAQ: ADIL; ADILW)** ("Adial" or the "Company"), today announced that Purnovate, Inc., an Adial company focused on developing adenosine analogs for the treatment of major unmet medical needs, has entered into a research collaboration agreement with the [University of California San Diego](#) (UC San Diego), a leading education and research university, and [Dr. Peter Ernst, DVM, PhD](#), Professor of Pathology and an expert in the fields of immunology, inflammation and infectious disease, to further evaluate the Company's proprietary adenosine analogs as a potential treatment for inflammatory diseases, including inflammatory bowel disease (IBD) and infectious diseases where a large immune response (i.e., cytokine storm) plays a significant role.

Under the collaboration agreement, Dr. Ernst and his team will initially test Purnovate's adenosine compounds in non-clinical models of IBD with the goal of further validating the potential of Purnovate's compounds as a treatment for IBD. IBD is a group of disorders that cause chronic inflammation (pain and swelling) in the intestines, including conditions such as Crohn's disease and ulcerative colitis.

Dr. Ernst stated, "Based on experience, I am keen to see whether these adenosine analogs can effectively address the historical challenges of solubility and biodistribution. My team looks forward to evaluating the compounds for their potential therapeutic benefit to patients suffering from inflammatory bowel disease and other inflammatory conditions."

Dr. Julien Dimastromatteo, Purnovate's Vice President, Research, commented, "UC San Diego is an ideal partner given Dr. Ernst's experience working with adenosine compounds and his impressive background in the fields of gastroenterology and immunology. Based on the expected anti-inflammatory properties and improved solubility of our compounds, we believe this research will provide further validation of our approach, with a goal to move into human clinical trials next year."

William Stilley, Adial's Chief Executive Officer, noted, "Based on prior pre-clinical data, we are optimistic about the potential of our adenosine compounds to provide therapeutic benefits for inflammatory health conditions such as IBD. According to the Centers for Disease Control and Prevention, prevalence of IBD is more than 3 million individuals in the U.S. alone. [Grand View Research](#) reports that the global IBD treatment market size is

expected to reach USD \$27.8 billion by 2028. We believe there is a significant unmet medical need and market potential for a safe and effective therapy for IBD, and the total market for inflammatory conditions is significantly larger.”

About University of California San Diego Health Sciences

University of California San Diego Health Sciences, comprising UC San Diego Health, UC San Diego School of Medicine, Skaggs School of Pharmacy and Pharmaceutical Sciences, and Herbert Wertheim School of Public Health and Human Longevity Science, is one of five academic medical systems within the University of California system. We are committed to improving patient care while also researching new treatments and training tomorrow’s doctors, pharmacists and public health leaders. For more than 50 years, our renowned clinicians and scientists have made advances in numerous fields, including minimally invasive surgeries, personalized cancer therapy, cardiovascular treatment and surgery, transplantation, and early detection of autism. Our specialty patient care is consistently ranked among the nation’s best by U.S. News & World Report.

About Purnovate, Inc.

Purnovate, Inc., a wholly owned subsidiary of Adial Pharmaceuticals, Inc., is a pharmaceutical development and chemistry company focused on inventing and developing selective, potent, stable, and soluble adenosine analogs to treat diseases and disorders such as pain, asthma, wound/burn healing, inflammation, infectious disease, cancer, diabetes and non-alcoholic steatohepatitis (NASH).

About Adial Pharmaceuticals, Inc.

Adial Pharmaceuticals is a clinical-stage biopharmaceutical company focused on the development of treatments for addictions. The Company’s lead investigational new drug product, AD04, is a genetically targeted, serotonin-3 receptor antagonist, therapeutic agent for the treatment of Alcohol Use Disorder (AUD) and is currently being investigated in the Company’s landmark ONWARD™ pivotal Phase 3 clinical trial for the potential treatment of AUD in subjects with certain target genotypes, which are to be identified using the Company’s proprietary companion diagnostic genetic test. A Phase 2b clinical trial of AD04 for the treatment of AUD showed promising results in reducing frequency of drinking, quantity of drinking and heavy drinking (all with statistical significance), and no overt safety concerns (there were no statistically significant serious adverse events reported). AD04 is also believed to have the potential to treat other addictive disorders such as Opioid Use Disorder, gambling, and obesity. The Company is also developing adenosine analogs for the treatment of pain and other disorders through its wholly owned subsidiary, Purnovate, Inc. Additional information is available at www.adialpharma.com.

Forward Looking Statements

This communication contains certain "forward-looking statements" within the meaning of the U.S. federal securities laws. Such statements are based upon various facts and derived utilizing numerous important assumptions and are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Statements preceded by, followed by or that

otherwise include the words "believes," "expects," "anticipates," "intends," "projects," "estimates," "plans" and similar expressions or future or conditional verbs such as "will," "should," "would," "may" and "could" are generally forward-looking in nature and not historical facts, although not all forward-looking statements include the foregoing. The forward-looking statements include statements regarding the research by UC San Diego providing further validation of Purnovate's approach, the potential of Purnovate's adenosine compounds to provide therapeutic benefits for inflammatory health conditions such as IBD, the global IBD treatment market size being expected to reach USD \$27.8 billion by 2028, there being a significant unmet medical need and market potential for a safe and effective therapy for IBD, the total market for inflammatory conditions being significantly larger and the potential of AD04 to treat other addictive disorders such as opioid use disorder, gambling, and obesity. Any forward-looking statements included herein reflect our current views, and they involve certain risks and uncertainties, including, among others, our ability to complete clinical trials on time and achieve desired results and benefits as expected, our ability to obtain regulatory approvals for commercialization of product candidates or to comply with ongoing regulatory requirements, regulatory limitations relating to our ability to promote or commercialize our product candidates for specific indications, acceptance of our product candidates in the marketplace and the successful development, marketing or sale of our products, our ability to maintain our license agreements, the continued maintenance and growth of our patent estate, our ability to establish and maintain collaborations, our ability to obtain or maintain the capital or grants necessary to fund our research and development activities, and our ability to retain our key employees or maintain our Nasdaq listing. These risks should not be construed as exhaustive and should be read together with the other cautionary statement included in our Annual Report on Form 10-K for the year ended December 31, 2021, subsequent Quarterly Reports on Form 10-Q and current reports on Form 8-K filed with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date on which it was initially made. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, unless required by law.

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