

July 24, 2025



Algernon Announces Closing of the Private Placement Financing

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VANCOUVER, British Columbia, July 24, 2025 (GLOBE NEWSWIRE) -- Algernon Pharmaceuticals Inc. (the "Company" or "Algernon") (CSE: AGN) (FRANKFURT: AGW0) (OTCQB: AGNPF), a Canadian healthcare and clinical stage drug development company, announces the closing of a second tranche (the "**Second Tranche**") of its non-brokered private placement (the "**Offering**"), previously announced on May 27, 2025, and with updated terms and the closing of the first tranche announced on June 30, 2025. Gross proceeds from the first and the Second Tranche totaled \$761,000 from the sale of subscription receipts.

Certain insiders of the Company participated in the Offering in the amount of \$90,000. The participation by insiders in the Offering constitutes a "related party transaction" as defined under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the Common Shares purchased by insiders, nor the consideration for the Units paid by such insiders, exceeded 25% of the Company's market capitalization. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Offering, which the Company deems reasonable in the circumstances as the details of the participation by insiders of the Company were not settled until shortly prior to closing the Offering and the Company wished to complete the Offering in an expeditious manner.

The Company did not pay any cash finder's fees pertaining to the Second Tranche of the Offering.

The Company will use the proceeds of the Second Tranche of the Offering towards advancing its new Alzheimer's Disease initiative for the opening of its first U.S. neuroimaging clinic planned to open in Q4 2025, general and administrative expenses and for working capital purposes.

The Company is also announcing that the Offering is now closed.

The securities issued and issuable, described in this and the previous news releases on May 27, 2025 and June 30, 2025, will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable Canadian securities legislation.

The securities have not been and will not be registered under the United States Securities

Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as such term is defined in Regulation S under the U.S. Securities Act) absent registration under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration.

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About Algernon Pharmaceuticals

Algernon Pharmaceuticals is a Canadian healthcare company pioneering the establishment of Alzheimer’s screening, imaging and treatment medical clinics in North America, while also advancing clinical stage pharmaceuticals through the investigation of multiple drugs for unmet global medical needs.

Algernon Pharmaceuticals is also the parent company of a private subsidiary called Algernon NeuroScience, that is advancing a psychedelic program investigating a proprietary form of DMT for stroke and traumatic brain injury.

Visit www.algernonpharmaceuticals.com for more information.

Visit www.algernonneuroscience.com for more information.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

CAUTIONARY DISCLAIMER STATEMENT: No Securities Exchange has reviewed nor accepts responsibility for the adequacy or accuracy of the content of this news release. This news release contains forward-looking statements relating to product development, licensing, commercialization and regulatory compliance issues and other statements that are not historical facts. Forward-looking statements are often identified by terms such as “will”, “may”, “should”, “anticipate”, “expects” and similar expressions. All statements other than statements of historical fact, included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company’s expectations include the failure to satisfy the conditions of the relevant securities exchange(s) and other risks detailed from time to time in the filings made by the Company with securities regulations. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or

circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by applicable law.



Source: Algernon Pharmaceuticals Inc.