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ProMIS Neurosciences Announces Third Quarter 2020 Results

TORONTO and CAMBRIDGE, Mass., Nov. 11, 2020 (GLOBE NEWSWIRE) -- ProMIS Neurosciences, Inc. (TSX: PMN) (OTCQB: ARFXF) ("ProMIS or the Company"), a biotechnology company focused on the discovery and development of antibody therapeutics targeting toxic oligomers implicated in the development of neurodegenerative diseases, today announced its operational and financial results for the three and nine months ended September 30, 2020.

"Over the course of the third quarter of 2020, the value of our unique discovery and development platform was further evidenced as ProMIS made considerable progress in expanding its portfolio of opportunities across multiple neurodegenerative diseases and also initiated two new diagnostic joint venture programs with BC Neuroimmunology Laboratory (BCNI)," stated Eugene Williams, ProMIS' Executive Chairman. "We look forward to continued progress applying our unique technology platform to the development of disease-modifying antibody therapies, diagnostics and potential vaccines for Alzheimer's disease, as well as development in the infectious disease setting. We are working to create accurate and sensitive serological assays to potentially detect the presence of neutralizing antibodies that arise in response to the novel coronavirus causing COVID-19 infection."

Corporate Highlights

- In July 2020, the Company entered into two joint venture Business arrangements (JV) with BC Neuroimmunology Laboratory Inc. (BCNI). The first JV (JV1) will develop and market highly accurate, objective tests for the detection, diagnosis and monitoring of Alzheimer's disease (AD). JV1 will offer existing blood-based assays for NfL (neurofilament light chain) and P-tau181 (phosphorylated tau181). Further assays will be developed, potentially incorporating our proprietary peptide antigens and tests for additional neurodegenerative diseases. The Company and BCNI each own 50% of JV1.

- The second JV (JV2) will provide highly sensitive and specific serological assays for the detection and characterization of antibodies to the SARS-CoV-2 virus that is responsible for COVID-19. The Company and BCNI each own 50% of the JV2.

- In September 2020, the Company announced initiation of a program to construct and test a multivalent peptide vaccine for AD. The critical first steps in vaccine development will be carried out by VIDO-InterVac, a global leader in vaccine research and development.

- In September 2020, we announced the resignation of Anthony Giovinazzo from our Board of Directors.

Financial Results

Results of Operations – Three months ended September 30, 2020 and 2019

The Company's net loss for the three months ended September 30, 2020 was $1,562,228, compared to a net loss of $1,637,714 for the three months ended September 30, 2019. Included in the net loss for the three months ended September 30, 2020 were non-cash expenses of $53,844, representing share-based compensation and amortization of an intangible asset, compared to $134,634 for the three months ended September 30, 2019. The decrease in the net loss for the three months ended September 30, 2020 reflects decreased consulting and professional fees, share-based compensation and foreign exchange losses offset by increased contract research organizations for internal programs and increased patent expenses.

Research and development expenses for the three months ended September 30, 2020 were $1,048,726, as compared to $1,053,123 in the three months ended September 30, 2019. The decrease in research and development expense for the three months ended September 30, 2020 is primarily attributed to decreased consulting and professional fees and share-based compensation, offset by increased contract research organizations for internal programs and increased patent expenses.

General and administrative expenses for the three months ended September 30, 2020 were $510,264, as compared to $584,602 in the three months ended September 30, 2019. The decrease in general and administrative expenses for the three months ended September 30, 2020 is primarily attributable to a decrease in foreign exchange losses and share-based compensation, offset by an increase in consulting and professional fees.

Results of Operations – Nine months ended September 30, 2020 and 2019

The Company's net loss for the nine months ended September 30, 2020 was $4,974,365, compared to a net loss of $5,942,821 for the nine months ended September 30, 2019. Included in the net loss for the nine months ended September 30, 2020 were non-cash expenses of $343,892, representing share-based compensation, warrant modification and amortization of an intangible asset, compared to $551,968 for the nine months ended September 30, 2019. The decrease in the net loss for the nine months ended September 30, 2020 reflects decreased costs associated with contract research organizations for internal programs, decreased consultant costs, decreased professional fees, decreased share-based compensation and decreased foreign exchange losses, offset by increased patent expenses.

Research and development expenses for the nine months ended September 30, 2020 were $2,921,199, as compared to $3,866,294 in the nine months ended September 30, 2019. The decrease in the research and development expenses for the nine months ended September 30, 2020 reflects the conservation of cash resources and decreased costs associated with external contract research organizations for internal programs, decreased consulting and professional fees and decreased share-based compensation, offset by increased patent expense.

General and administrative expenses for the nine months ended September 30, 2020 were $2,051,506, as compared to $2,076,463 in the nine months ended June 30, 2019. The decrease for the nine months ended September 30, 2020 is primarily attributable to a

reduction in consulting and professional fees and a decrease in foreign exchange losses offset by warrant modification expense.

Outlook

As a prelude to the first PMN310 clinical trial in AD, we will use a novel biomarker approach that may show evidence of slowing of neuronal death as early as the Phase 1 clinical study. As the ability to achieve early detection of AD develops, based on the advent of reliable blood-based biomarkers for AD detection, the need for preventive treatment will grow. Therapeutic vaccines can be used for this purpose. Using our discovery platform, our goal is to devise a safe and effective AD vaccine to induce a specific immune response against toxic oligomers of amyloid beta.

The Company will also continue to characterize the potential benefits of its programs selectively targeting toxic aggregates of TDP-43 in ALS, toxic forms of alpha-synuclein in PD and toxic aggregates of tau in AD and other dementias. Our unique platform produces antibodies that meet a key success factor for the development of therapeutics and vaccines for neurodegenerative diseases: the ability to selectively target the neurotoxic form of a protein implicated as a root cause of disease, while sparing normal forms of the protein.

In the infectious disease setting, we are working to create accurate and sensitive serological assays to potentially detect the presence of neutralizing antibodies that arise in response to a specific infection, such as COVID-19.

About ProMIS Neurosciences, Inc.

ProMIS Neurosciences, Inc. is a development stage biotechnology company whose unique core technology is the ability to rationally predict the site and shape (conformation) of novel targets known as Disease Specific Epitopes (DSEs) on the molecular surface of proteins. In neurodegenerative diseases, such as Alzheimer's, ALS and Parkinson's disease, the DSE's are misfolded regions on otherwise normal proteins. In the infectious disease setting, these disease-specific epitopes represent peptide antigens that can be used as an essential component to create accurate and sensitive serological assays to detect the presence of antibodies that arise in response to a specific infection, such as COVID-19. These peptide antigens can also be used to create potential therapeutic antibodies to treat active infection, as well as serve as the basis for development of vaccines. ProMIS is headquartered in Toronto, Ontario, with offices in Cambridge, Massachusetts. ProMIS is listed on the Toronto Stock Exchange under the symbol PMN, and on the OTCQB Venture Market under the symbol ARFXF.

Visit us at www.promisneurosciences.com, follow us on Twitter and LinkedIn

For media inquiries, please contact:
Shanti Skiffington
shanti.skiffington@gmail.com
Tel. 617 921-0808

For Investor Relations please contact:
Alpine Equity Advisors
Nicholas Rigopulos, President

nick@alpineequityadv.com
Tel. 617 901-0785

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Source: ProMIS Neurosciences Inc.