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Algeron Pharmaceuticals Appoints Novotech as CRO for First Phase 2 Trial and Announces Novotech's \$220K Equity Investment

VANCOUVER, British Columbia, Jan. 17, 2020 (GLOBE NEWSWIRE) -- Algeron Pharmaceuticals Inc. (CSE: AGN) (FRANKFURT: AGW) (OTCQB: AGNPF) (the "**Company**" or "**Algeron**"), a clinical stage pharmaceutical development company, is pleased to announce that it has appointed Novotech as the contract research organization ("**CRO**") for the Company's upcoming Phase 2 idiopathic pulmonary fibrosis and chronic cough study for the drug candidate NP-120 (Ifenprodil). The study is expected to start in Q2 of 2020. Novotech is an internationally recognized full service CRO with experience across Asia Pacific.

The Company is also pleased to announce that Novotech has signed a letter of intent ("**LOI**") to make an equity investment in the Company. The Company anticipates issuing to Novotech, on a private placement basis, approximately CDN\$220,000 of units of the Company (the "**Units**") at the price of CDN\$0.085 per Unit. Each Unit is comprised of one common share and one common share purchase warrant (a "**Warrant**"). Each Warrant is exercisable for one common share in the capital of the Company (each, a "**Warrant Share**") at the price of CDN\$0.12 per Warrant Share for a period of 30 months after the date of issue (the "**Expiry Date**"), subject to acceleration of the Expiry Date as described below.

If, at any time prior to the Expiry Date, the volume weighted average trading price of the common shares of the Company (the "**Common Shares**") on the Canadian Securities Exchange, or other principal exchange on which the Common Shares are listed, is greater than \$0.35 for 20 consecutive trading days, the Company may, within 15 days of the occurrence of such event, deliver a notice to Novotech accelerating the Expiry Date to the date that is 30 days following the date of such notice.

All securities issued pursuant to the private placement will be subject to a four month hold period under applicable securities laws in Canada. Closing of the Novotech private placement is expected to occur by January 31, 2020.

Novotech CEO Dr. John Moller said "We are delighted to be working with Algeron on their upcoming Phase 2 study and to have signed an LOI to participate in an equity funding round of Algeron. This is a unique model to support clinical trials in our region and we look forward to a close working relationship with the Algeron team".

About Algeron Pharmaceuticals Inc.

Algeron Pharmaceuticals is a clinical stage pharmaceutical development company focused on advancing its lead compounds for non-alcoholic steatohepatitis (NASH), chronic kidney

disease (CKD), inflammatory bowel disease (IBD), idiopathic pulmonary fibrosis (IPF) and chronic cough.

About Novotech

Novotech, awarded the Frost & Sullivan Asia-Pacific Biotech CRO of the year for the past 5 years, is internationally recognized as the leading Asia-Pacific full-service CRO. Established more than 20 years ago Novotech now has 13 offices across 11 countries in the Asia Pacific and 3 client-facing offices in North America.

Novotech has been instrumental in the success of hundreds of Phase I - IV clinical trials in the region.

Novotech provides clinical development services across all clinical trial phases and therapeutic areas including: feasibility assessments; ethics committee and regulatory submissions, data management, statistical analysis, safety services, central lab services, report write-up to ICH requirements, project and vendor management.

<https://novotech-cro.com/welcome>

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The CSE does not accept responsibility for the adequacy or accuracy of this release.

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. The Canadian Securities Exchange has not in any way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press 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 the closing of a private placement, 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