

March 5, 2021



Algernon Pharmaceuticals Announces Increase and Close of Private Placement

VANCOUVER, British Columbia, March 05, 2021 (GLOBE NEWSWIRE) -- Algernon Pharmaceuticals Inc. (CSE: AGN) (FRANKFURT: AGW) (OTCQB: AGNPF) (the "Company" or "Algernon") a clinical stage pharmaceutical development company is pleased to announce that it has increased and completed its previously announced non-brokered private placement of units (the "Units"), and has issued an aggregate of 11,260,040 Units at the price of CDN \$0.25 per Unit, raising gross proceeds of CDN \$2,815,010 (the "Offering").

Each Unit is comprised of one Class A common share (a "Share") and one Share purchase warrant. Each whole warrant will entitle the holder to acquire one additional Share at a price of CDN \$0.40 per Share until March 5, 2023 (the "Expiry Date").

At any time after July 5, 2021 and prior to the Expiry Date, the Warrants are subject to accelerated expiry in the event the daily volume weighted average trading price of the Common Shares equals or exceeds CAD \$0.80 on the Canadian Securities Exchange (the "Exchange") (or such other exchange on which the Common Shares may be traded), for ten (10) consecutive trading days (the "Triggering Event"), in which case, the Company may accelerate the expiry date of the Warrants by giving notice via news release within ten (10) days of the Triggering Event to the holders thereof and, in such case, the Warrants will expire on the 30th day after the date on which the news release is disseminated by the Company.

In connection with the Offering, the Company has paid cash commissions in the aggregate amount of CDN \$161,400, being 8% of the aggregate proceeds raised from the sale of Units to purchasers introduced by eligible finders. In addition, the Company has issued 645,600 finder's warrants (the "Finders' Warrants"), being 8% of the number of Units sold under the Offering to purchasers introduced by such finders. Each Finders' Warrant entitles the holder to purchase one Unit at a price of CDN \$0.40 per Unit until March 5 2023.

All securities issued in connection with the Offering are subject to a statutory hold period of four months, expiring July 5, 2021 in accordance with applicable securities legislation. The net proceeds of the Offering will be used to fund the Company's general corporate purposes.

About Algernon Pharmaceuticals Inc.

Algernon is a drug re-purposing company that investigates safe, already approved drugs, including naturally occurring compounds, for new disease applications, moving them efficiently and safely into new human trials, developing new formulations and seeking new regulatory approvals in global markets. Algernon specifically investigates compounds that have never been approved in the U.S. or Europe to avoid off label prescription writing.

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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