

August 20, 2024



Algernon Pharmaceuticals Announces Closing of Private Placement

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

VANCOUVER, British Columbia, Aug. 20, 2024 (GLOBE NEWSWIRE) -- Algernon Pharmaceuticals Inc. (CSE: AGN) (FRANKFURT: AGW0) (OTCQB: AGNPF) (the "**Company**" or "**Algernon**") a Canadian clinical stage pharmaceutical development company announces the close of its non-brokered private placement, previously announced on August 7, 2024 and updated on August 13, 2024, for gross proceeds of \$235,200 (the "**Offering**") of units (the "**Units**") at an issue price of \$0.12 per Unit.

Certain insiders of the Company participated in the Offering in the amount of \$60,000. 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 paid cash finder's fees totaling \$4,800 and issued 40,000 finders warrants to eligible finders for investors introduced to the Company by the eligible finder.

The Company will use the proceeds of the private placement for working capital purposes.

The securities issued and issuable, described in this news release, 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.

About Algernon Pharmaceuticals Inc.

Algernon Pharmaceuticals is a Canadian clinical stage drug development company

investigating multiple drugs for unmet global medical needs. Algernon Pharmaceuticals is 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 and has an active research program for chronic kidney disease.

Algernon recently announced that it closed on its agreement with Seyltx Inc., a privately owned U.S. based drug development company, for the acquisition of Algernon's Ifenprodil research program for the purchase price of USD \$2M cash and a 20% common share equity position in Seyltx. For more information visit <https://www.algernonpharmaceuticals.com>.

CONTACT INFORMATION

Christopher J. Moreau
CEO
Algernon Pharmaceuticals Inc.
604.398.4175 ext 701
info@algernonpharmaceuticals.com
investors@algernonpharmaceuticals.com
www.algernonpharmaceuticals.com

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 the completion of the Offering, use of proceeds from the Offering, engagement of Maxim, the completion of future transactions and the spin-off of the Ifenprodil research program 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: Algeron Pharmaceuticals Inc.