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Algernon Pharmaceuticals Announces Receipt of CDN \$450K Cash Refund from Australian Research Program

VANCOUVER, British Columbia, Sept. 21, 2022 (GLOBE NEWSWIRE) -- Algernon Pharmaceuticals Inc. (CSE: AGN) (FRANKFURT: AGW) (OTCQB: AGNPF) (the "Company" or "Algernon"), a Canadian clinical stage pharmaceutical development company, is pleased to announce that it has recently received a cash payment of approximately CDN \$450K from a refundable tax credit program from its clinical research work in Australia.

"Algernon tries to conduct as much of its clinical research in Australia as possible because of the 43.5% refundable R&D tax credit program," said Christopher J. Moreau, CEO of Algernon. "This brings our total cash refund received to date to over CDN \$3.0M, which has been an important part of Algernon's capital efficient business model."

Additionally, the Company announces changes to the warrants that it issued on July 4, 2022, pursuant to its public offering of units (the "July 2022 Offering") as a result of the anti-dilution provisions contained in the warrants. The July 2022 Offering consisted of one common share and one warrant (a "Warrant"). Upon issuance, the Warrants were exercisable at a price of \$4.70 per Warrant and included anti-dilution provisions in the case of a down-round financing during the five-year term of the Warrants (a "Dilutive Issuance") to reduce the exercise price of the Warrants and increase the number of shares issuable thereunder, if common shares are sold or issued for a consideration per share less than the Warrant exercise price (subject to certain exceptions).

On August 22, 2022, the Company closed a non-brokered private placement (the "August 2022 Offering") in the amount of 373,900 units of the Company at a price of \$3.75 per unit. The August 2022 Offering resulted in a Dilutive Issuance and the exercise price of the Warrants issued in the July 2022 Offering has been reduced to \$3.75 per share and the number of shares issuable under each Warrant has been increased such that the aggregate exercise price payable after taking into account the decrease in the exercise price shall be equal to the aggregate exercise price prior to the adjustment.

About Algernon Pharmaceuticals Inc.

Algernon is a Canadian clinical stage drug development company investigating multiple drugs with global unmet medical needs. Algernon has active research programs for IPF with chronic cough, chronic kidney disease, and a psychedelic program investigating a proprietary form of DMT for stroke.

CONTACT INFORMATION

Christopher J. Moreau
CEO

Algernon Pharmaceuticals Inc.
604.398.4175 ext 701
info@algernonpharmaceuticals.com
investors@algernonpharmaceuticals.com
www.algernonpharmaceuticals.com.

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Source: Algernon Pharmaceuticals