

May 14, 2024



Alzamend Neuro Announces Initial Closing of Private Placement

- Investor had agreed to purchase up to \$25 million of preferred shares
- Alzamend expects to use proceeds to further its clinical trials and working capital purposes

ATLANTA--(BUSINESS WIRE)-- [Alzamend Neuro, Inc.](#) (Nasdaq: ALZN) ("**Alzamend**"), a clinical-stage biopharmaceutical company focused on developing novel products for the treatment of Alzheimer's disease ("**Alzheimer's**"), bipolar disorder ("**BD**"), major depressive disorder ("**MDD**") and post-traumatic stress disorder ("**PTSD**"), announced today that it closed upon the initial tranche of a private placement (the "**Private Offering**") pursuant to the Securities Purchase Agreement (the "**Agreement**") with an institutional investor (the "**Investor**").

On May 10, 2024, the Investor purchased 50 shares of Alzamend's Series A Convertible Preferred Stock (the "**Preferred Shares**") for \$500,000 in the Private Offering, of which \$311,356.16 (which included accrued but unpaid interest) was paid by the Investor by the surrender for cancellation of a term note issued by the Company to the Purchaser on April 29, 2024 in the principal face amount of \$310,000. Concurrently with the initial closing of the Offering, the Investor purchased an additional 50 Preferred Shares in a registered direct offering for \$500,000 (the "**Registered Direct Offering**"). The Investor also received warrants to purchase 800,000 shares of Alzamend common stock in the Private Offering.

Pursuant to the Agreement, the Investor agreed to purchase up to \$25 million Preferred Shares, of which \$500,000 were in the Registered Direct Offering, and up to \$24.5 million will be purchased in the Private Offering, of which \$1.5 million will be upon filing of a resale registration statement (the "**Registration Statement**"), \$2.5 million within 30 days after effectiveness of the Registration Statement, \$2.0 million within 60 days after effectiveness of the Registration Statement and the execution of a partnership agreement with a nationally renowned research facility for a clinical trial, and \$1.0 million on each monthly anniversary of the effectiveness of the Registration Statement. In addition, the Investor will receive warrants to purchase an aggregate of 20 million shares of Alzamend common stock if the full amount of the Preferred Shares are purchased.

"This closing, together with completion of the Private Offering, will help us further our clinical trials," said Stephan Jackman, CEO of Alzamend. "We are working diligently towards completing the next milestone. If we can develop a next-generation lithium product that would not require therapeutic drug monitoring, it would constitute a major improvement over current lithium-based treatments and positively impact the 43.5 million Americans afflicted with Alzheimer's, BD, MDD and PTSD. Moreover, this funding will enable us to continue our Phase I/IIA safety/tolerability/efficacy clinical trial of our immunotherapeutic vaccine, a potential cure for Alzheimer's."

Additional information regarding the securities described above and the terms of the Private

Offering are included in an amended Current Report on Form 8-K/A filed with the United States Securities and Exchange Commission on May 10, 2024.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of shares of Alzamend's common stock in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

For more information on Alzamend, stockholders, investors, and any other interested parties may read Alzamend's public filings and press releases available under the Investor Relations section at <https://www.alzamend.com/> or available at <https://www.sec.gov/>.

About Alzamend Neuro

Alzamend Neuro is a clinical-stage biopharmaceutical company focused on developing novel products for the treatment of Alzheimer's, BD, MDD and PTSD. Our mission is to rapidly develop and market safe and effective treatments. Our current pipeline consists of two novel therapeutic drug candidates, AL001 - a patented ionic cocrystal technology delivering lithium via a therapeutic combination of lithium, salicylate and L-proline, and ALZN002 - a patented method using a mutant-peptide sensitized cell as a cell-based therapeutic vaccine that seeks to restore the ability of a patient's immunological system to combat Alzheimer's. Both of our product candidates are licensed from the University of South Florida Research Foundation, Inc. pursuant to royalty-bearing exclusive worldwide licenses.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, and include words such as "believes," "plans," "anticipates," "projects," "estimates," "expects," "intends," "strategy," "future," "opportunity," "may," "will," "should," "could," "potential," or similar expressions. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties. Forward-looking statements speak only as of the date they are made, and Alzamend undertakes no obligation to update any of them publicly in light of new information or future events. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors. More information, including potential risk factors, that could affect Alzamend's business and financial results are included in Alzamend's filings with the U.S. Securities and Exchange Commission. All filings are available at www.sec.gov and on Alzamend's website at www.Alzamend.com.

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Source: Alzamend Neuro, Inc.