NervGen Pharma Corp. Closes Non-Brokered Private Placement

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Vancouver, Canada. May 20, 2020 **— NervGen Pharma Corp. (TSX-V: NGEN; OTCQX: NGENF)** ("NervGen" or the "Company"), a biotech company dedicated to creating innovative solutions for the treatment of nerve damage and neurodegenerative diseases, is pleased to announce that it has closed a non-brokered private placement of 1,806,827 units of the Company at a price of CAD$1.25 per unit, for aggregate gross proceeds to the Company of CAD$2,258,534.

"We appreciate the support of our shareholders in this financing which provides us with further funds to support our ongoing development programs," said Paul Brennan, NervGen's President & CEO. "We remain committed to developing NVG-291 with the objective of bringing life-changing hope to the many people suffering from nerve damage experienced from a spinal cord injury or neurodegenerative diseases such as multiple sclerosis and Alzheimer's disease," added Brennan.

Each unit (the "**Unit**") issued in this private placement (the "**Private Placement**") consisted of one common share in the capital of the Company (a "**Common Share**") and one common share purchase warrant (a "**Warrant**", and together with the Units and Common Shares, the "**Securities**"). Each Warrant is exercisable into one Common Share at a price of CAD$1.60 per Common Share until May 20, 2022. The Warrants are subject to an acceleration clause that allows the Company to accelerate the expiry date of the Warrants if, at any time after six months from the closing date, the trading price of the Common Shares on the TSX Venture Exchange (the "**TSX-V**"), or such other stock exchange in Canada on which a majority of the trading of the Common Shares occurs, equals or exceeds CAD$3.00 for ten (10) consecutive trading days. Under such circumstances, the Company may deliver a written notice (the "**Acceleration Notice**") to the holder of such Warrant within 30 days of such occurrence to accelerate the expiry date of the Warrants, to a date ending at least 30 days following the date of the Acceleration Notice (the "**Acceleration Provision**"). All of the Securities issued pursuant to the Private Placement are subject to a four month and one day hold period in accordance with applicable Canadian securities laws.

The Company intends to use the net proceeds from the Private Placement to fund preclinical studies and for general corporate purposes.

In connection with the Private Placement and in accordance with the policies of the TSX-V, the Company (i) paid certain finders (the "**Finders**") a cash fee totaling CAD$24,806, and (ii) issued the Finders an aggregate of 19,845 common share purchase warrants (the "**Finders' Warrants**"). Each Finders' Warrant is non-transferable and is exercisable into one Common Share at a price of CAD$1.60 per Common Share until May 20, 2022. The Finders' Warrants are subject to the same Acceleration Provision as the Warrants.

Certain directors and officers of the Company (the "**Interested Insiders**"), participated in the Private Placement by purchasing an aggregate of 298,000 Units for aggregate gross proceeds to the Company of CAD$372,500. Accordingly, the Private Placement constitutes a "related-party transaction" under Multilateral Instrument 61-101 – *Protection of Minority Security Holdings in Special Transactions*, which is adopted in TSX-V Policy 5.9 ("**MI 61-101**"). Immediately prior to the closing of the Private Placement, the Interested Insiders collectively held 3,000,000 Common Shares representing approximately 10.18% of the issued and outstanding Common Shares. Immediately following the closing of the Private Placement, the Interested Insiders collectively held 3,298,000 Common Shares representing approximately 10.55% of the issued and outstanding Common Shares. The Private Placement is exempt from the formal valuation and minority shareholder approval under MI 61-101 in reliance on the exemptions set forth in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the securities to be distributed in the Private Placement nor the consideration to be received for those securities, exceeds 25% of the Company's market capitalization.

The Private Placement was approved by the directors of the Company, with the directors having an interest in the transaction declaring their interest and abstaining from voting on the transaction. No materially contrary view was expressed nor was there any material disagreement in the approval process adopted by the directors. Each Interested Insider entered into a subscription agreement with NervGen in respect of the Private Placement containing standard terms for a transaction of this nature and on the same terms and conditions as the other investors in the Private Placement. The Company did not file a material change report more than 21 days before the expected closing of the Private Placement as the details of the Private Placement and the participation therein by Interested Insiders were not settled until shortly prior to closing of the Private Placement and the Company wished to close on an expedited basis for sound business reasons.

*This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available*.

About NervGen

NervGen is restoring life's potential by creating innovative solutions for the treatment of nerve damage and neurodegenerative diseases. The Company is developing drugs for the treatment of spinal cord injury, multiple sclerosis and Alzheimer's disease. NervGen's platform technology targets protein tyrosine phosphatase sigma ("PTPσ"), a neural receptor that impedes nerve repair. Inhibition of the PTPσ receptor has been shown to promote regeneration and remyelination of damaged nerves, as well as improvement of nerve function in animal models for various medical conditions.

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Follow NervGen on Twitter (@NervgenC) and LinkedIn (NervGen Pharma Corp.) for the latest news on the Company.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

This news release may contain “forward-looking information” and “forward-looking statements” within the meaning of applicable Canadian and United States securities legislation. Such forward-looking statements and information herein include, but are not limited to, the Company’s current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements, or any other future events or developments constitute forward-looking statements, and the words “may”, “will”, “would”, “should”, “could”, “expect”, “plan”, “intend”, “trend”, “indication”, “anticipate”, “believe”, “estimate”, “predict”, “likely” or “potential”, or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. Forward-looking statements include, without limitation, statements relating to: our development programs, including the development of NVG-291; the use of the net proceeds from the Private Placement; the Acceleration Provision; the Warrants and Finders’ Warrants; and our research for a treatment for Alzheimer’s disease and other neurodegenerative applications**.**

Forward-looking statements are based on estimates and assumptions made by the Company in light of management’s experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances. In making forward-looking statements, the Company has relied on various assumptions, including, but not limited to: the Company’s ability to manage the effects of the COIVD-19 pandemic; the accuracy of the Company’s financial projections; the Company obtaining positive results in its clinical and other trials; the Company obtaining necessary regulatory approvals; and general business, market and economic conditions.

Many factors could cause our actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including without limitation, a lack of revenue, insufficient funding, the impact of the COVID-19 pandemic, reliance upon key personnel, the uncertainty of the clinical development process, competition, and other factors set forth in the "Risk Factors" section of the Company’s Annual Information Form, financial statements and Management Discussion and Analysis, which can be found on SEDAR.com. All clinical development plans are subject to additional funding.

Readers should not place undue reliance on forward-looking statements made in this news release. Furthermore, unless otherwise stated, the forward-looking statements contained in this news release are made as of the date of this news release, and we have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.