NERVGEN PHARMA ENTERS INTO RESEARCH AGREEMENT WITH SYLICS TO STUDY NVG-291 IN ALZHEIMER'S DISEASE MODELS

NervGen Preparing for Upcoming Phase 1b Clinical Trial in Alzheimer's Disease

Vancouver, Canada. June 10, 2021 – **NervGen Pharma Corp. (TSX-V: NGEN) (OTCQX: NGENF)** ("NervGen" or the "Company"), a clinical stage biotech company dedicated to creating innovative solutions for the treatment of nervous system damage, announced today it has entered into a research agreement with Sylics Contract Research ("Sylics"), a contract research organization specializing in testing novel therapies in the field of neurosciences, to study the effects of NVG-291 in mouse models of Alzheimer's disease.

"This study is part of a series of studies we are undertaking to bolster the evidence we already have that NervGen's NVG-291 will enhance repair of the central nervous system through mechanisms such as neuroplasticity and promotion of a non-inflammatory response in microglia, the primary innate immune cells of the brain," stated Dr. Daniel Mikol, NervGen's Chief Medical Officer. "Preclinical studies have shown that, in addition to enhancing plasticity and modulation of microglial function, NVG-291 improves functional outcomes following damage to the nervous system by promoting key repair mechanisms such as axonal regeneration, remyelination, and autophagy. The data that we generate with Sylics will be an important step towards our Phase 1b Alzheimer's study, which we intend to initiate in 2022 upon the successful completion of the multiple ascending dose portion of our ongoing Phase 1 study."

"I am excited about the progress that NervGen is making with its Alzheimer's development program, particularly in light of the recent FDA approval of Biogen's aducanumab using amyloid-beta as a surrogate marker," stated Dr. George Perry, the current and founding Editor-in-Chief of the Journal of Alzheimer's Disease and Semmes Distinguished University Chair in Neurobiology at the University of Texas, San Antonio. "While the vast majority of the neurosciences field believes amyloid-beta to be an important part of Alzheimer's disease pathology, most like myself do not believe there is sufficient evidence that it is either causal or that there exists convincing published clinical data showing that the removal of amyloid-beta plaques alone can confer a clinically meaningful benefit in Alzheimer's patients. I strongly believe that the pharmaceutical industry needs new and novel approaches that can harness more powerful mechanisms of action, to create a greater likelihood of achieving convincing cognitive stability or improvements. NervGen's drug candidate leverages a unique and powerful multimodal mechanism of action that has been shown to increase both autophagy and plasticity while also reducing microglia inflammatory expression, representing an exciting new approach to Alzheimer's disease. I look forward to the results of the Sylics study with NVG-291, and also to performing an additional in vitro study of NVG-291 in my laboratory to provide further data to help guide and support their upcoming Phase 1b trial in Alzheimer's patients."

"The lack of clinically effective therapeutic treatments for Alzheimer's disease patients remains a significant unmet need and source of frustration for the six million patients in North America," stated Paul Brennan, NervGen's President & CEO. "The medical and economic toll of the disease on patients and their caregivers is devastating. The study with Sylics, the other preclinical studies that we are conducting, and our planned Phase 1b study in Alzheimer's disease are important development milestones for our Alzheimer's program, which, if successful, will provide a meaningful benefit to patients and significant market potential for NervGen."

About NVG-291
NVG-291, a modulator of downstream activity of highly inhibitory molecules (chondroitin sulfate proteoglycans ("CSPGs")) present in the central nervous system, has demonstrated the potential to promote repair mechanisms such as axonal regeneration; remyelination; plasticity; autophagy (a cellular self-cleaning mechanism that removes unnecessary or dysfunctional components); and a non-inflammatory phenotype in microglia cells, the innate immune cells of the brain. NVG-291 modulates the inhibitory activity of CSPGs by inhibiting the protein tyrosine phosphatase ("PTPσ") receptor which has been shown to impede repair following injury to the nervous system, whether as a result of trauma, such as in the case of spinal cord injury or traumatic brain injury, or disease-specific mechanisms, such as multiple sclerosis or Alzheimer's disease.

A Phase 1 trial of NVG-291 in heathy subjects is ongoing and, upon completion of the multiple ascending dose portion of the trial, NervGen intends to initiate a Phase 1b trial in Alzheimer's disease patients. Concurrently, the Company also plans to initiate Phase 2 trials in spinal cord injury and multiple sclerosis with each of these trials planned to start in 2022.

About NervGen
NervGen is restoring life's potential by creating innovative solutions for the treatment of nervous system injury due to trauma or disease as a result of underlying inflammation and/or neurodegeneration. The Company is initially developing drugs for the treatment of multiple sclerosis, spinal cord injury and Alzheimer's disease.

About Alzheimer's Disease
Alzheimer's disease is a progressive neurologic disorder that causes the brain to shrink (atrophy) and brain cells to die. Alzheimer's disease is the most common cause of dementia – a continuous decline in thinking, behavioral and social skills that affects a person's ability to function independently.

Approximately 5.8 million people in the United States age 65 and older live with Alzheimer's disease. Of those, 80% are 75 years old and older. Out of the approximately 50 million people worldwide with dementia, between 60% and 70% are estimated to have Alzheimer's disease.

The early signs of the disease include forgetting recent events or conversations. As the disease progresses, a person with Alzheimer's disease will develop severe memory impairment and lose the ability to carry out everyday tasks.

Symptomatic medications are available that may temporarily improve cognition, including acetylcholinesterase and N-methyl-D-aspartate (NMDA) receptor inhibitors. These treatments can sometimes help people with Alzheimer's disease maximize function and maintain independence for a time. Different programs and services can help support people with Alzheimer's disease and their caregivers.

There is no treatment that cures Alzheimer's disease or has a clinically meaningful benefit on disease progression. In advanced stages of the disease, complications from severe loss of brain function – such as dehydration, malnutrition or infection – result in death.

About Sylics Contract Research
Sylics (Synaptologics BV) is a private Dutch company founded on the initiative of a small group of research opinion leaders from the Neuroscience Campus Amsterdam in 2007. Sylics offers innovative research solutions for preclinical neuroscience, specializing in the development and execution of customized mouse models and behavioral tests for neurological and psychiatric diseases, with a strong focus on neurodegeneration and schizophrenia. For more than 12 years, the company has successfully characterized dozens of novel mouse models and assessed therapeutic efficacy and safety in numerous projects for academia, biotech, and food industry clients.

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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: the timing, objectives and study design of the ongoing and proposed clinical studies for NVG-291; our belief that data generated in our current and planned preclinical studies will be an important step toward future clinical trials; our belief that we will evaluate the therapeutic potential of NVG-291 in patients in Phase 1b and Phase 2 clinical trials upon successful completion of the Phase 1 trial; the belief that inhibiting the activity of PTPσ is a promising target for reducing the clinical effects of nervous system damage through multiple mechanisms; our belief that the lack of clinically effective therapeutic treatments for Alzheimer's disease represents a significant unmet need; our belief that our preclinical studies and our planned Phase 1b study in Alzheimer's disease are important development milestones for our Alzheimer's disease program, which, if successful, will provide a meaningful benefit to patients and significant market potential for NervGen; our belief that modulating the activity of PTPσ with NVG-291 has the potential to promote multiple nerve repair mechanisms; steps taken to minimize the impact of the COVID-19 pandemic on our operations; and the creation of innovative solutions for the treatment of nerve damage and neurodegenerative diseases.

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 COVID-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, Prospectus Supplement, 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.