NERVGEN PHARMA REPORTS 2020 YEAR END RESULTS

Vancouver, Canada. April 8, 2021– **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, today reported its financial results for the year ended December 31, 2020.

Paul Brennan, NervGen's President & CEO, stated, "We made substantial progress in the development of our lead program, NVG-291, towards clinical trials during 2020. We were able to resubmit our Investigational New Drug Application for NVG-291 early in 2021 and we look forward to starting our Phase 1 trial in Australia this quarter. We continue to generate encouraging preclinical data to support our programs to bring life-changing hope to many people suffering from nerve damage as a result of injury or neurodegenerative diseases. Pending successful completion of our Phase 1 study, we expect to start Phase 2 trials in spinal cord injury and multiple sclerosis patients and a Phase 1b in Alzheimer's disease patients in the first half of 2022, subject to any further impact by the COVID-19 pandemic on our suppliers' operations, FDA review and financing."

Operational Highlights for 2020

- In April, the Company provided an update on its business in response to the COVID-19 pandemic which included the following measures: (i) the reduction or suspension of the majority of external consulting contracts unless directly related to development programs or financing; (ii) the immediate departure of Denis Bosc, as the Company's Vice President, Chemistry, Manufacturing and Controls; (iii) a temporary reduction in compensation for NervGen's executive officers and non-executive staff in exchange for a one time grant of additional stock options; and (iv) the receipt of working notice terminations for certain non-executive staff.
- The Company completed two financings during the year. In May, NervGen completed a non-brokered private placement of 1,806,827 units comprised of one common share and one common share purchase warrant at a price of $1.25 per unit for total gross proceeds of $2.3 million. In August, NervGen completed a public offering of 3,685,714 units comprised of one common share and one common share purchase warrant at a price of $1.75 per unit for aggregate gross proceeds of $6.45 million.
- The Company appointed key members of its senior management team during the year, including Bill Adams as Chief Financial Officer and Nana Collett as Vice President, Program Management. In addition, Lloyd Mackenzie resigned from his position as Chief Operating Officer effective October 2, 2020 in order to assume the President position of a private company not related to the focus of NervGen.
- In October, the Company announced that it had retained the services Michael Davis, MD, FACS, FRCS (Hon.), Colonel (Ret.), formerly Director of the U.S. Combat Casualty Care Research Program, to help the Company identify, prioritize and secure sources of non-dilutive funding for developing NVG-291 with an emphasis on finding support for important non-core indications. The Company also announced that Randall Kaye, MD, was appointed to its Board of Directors. Dr. Kaye brings over 25 years of industry experience addressing high unmet medical need disease areas. He has significant leadership experience in senior roles where he has provided medical and scientific perspective in clinical development medical affairs.

- In November, the Company announced that George Perry, PhD, was retained to provide independent, expert and multi-disciplinary strategic advice to guide the development of NVG-291 in the treatment of Alzheimer's disease. Dr. Perry is 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. The Company also announced that Brian McAlister, NervGen co-founder, agreed to extend his engagement as a strategic advisor with the Company for an additional two years.
- In December, the Company incorporated a wholly owned subsidiary in Australia, NervGen Australia Pty Ltd. NervGen also engaged Novotech (Australia) Pty Limited, a leading full-service contract research organization in Asia-Pacific, for its Phase 1 clinical trial for NVG-291. Novotech has been instrumental in the success of over a thousand Phase I – IV clinical trials for biotechnology companies, providing clinical development services across all clinical trial phases and therapeutic areas.
- Subsequent to the year end, the Company announced the establishment of an Alzheimer's Disease Scientific Advisory Board comprised of four world-class scientists and clinical researchers who will work closely with NervGen as it plans its upcoming preclinical studies and clinical trials and analyze the results from these studies. In addition, the Company announced that it plans to add an Alzheimer's disease patient cohort to its Phase 1 clinical trial program for NVG-291 starting in H1 2022.
- Subsequent to the year end, in March 2021, the Company announced that its NVG-291 Investigational New Drug ("IND") submission, has been cleared by the U.S. Food and Drug Administration ("FDA") to proceed with the single ascending dose portion of its Phase 1 clinical trial in females, and the multiple ascending dose portion of the trial in post-menopausal females. The Company plans to initiate its first Phase 1 clinical trial in Australia under all of the conditions required by the FDA in Q2 2021 after all requisite approvals have been obtained.
- Subsequent to the year end, in March 2021, the Company obtained Orphan Designation for NVG-291 from the European Medicines Agency for the treatment of spinal cord injury. This new EMA designation provides NervGen with multiple incentives, including improved access to scientific advice, fee reductions, and 10 years of protection from market competition in Europe from similar medicines with similar indications following the date that the drug candidate receives marketing authorization (called market exclusivity).

Financial Highlights

- **Cash and Investments:** NervGen had cash and investments of $5.6 million as of December 31, 2020, compared to $4.1 million as of December 31, 2019. The cash burn for the year ended December 31, 2020 from operating activities was approximately $6.4 million. This was offset by $7.8 million in net proceeds from financing during the year.
- **R&D Expenses:** Research and development expenses were $3.3 million and $6.2 million for the three and twelve months ended December 31, 2020, respectively, compared to $1.8 million and $6.5 million in the similar periods in 2019. The decrease year over year was primarily due to lower preclinical, and chemistry, manufacturing and controls work relating to drug formulation development, non-Good Manufacturing Practice ("GMP") and GMP manufacturing costs and IND enabling studies for NVG-291, incurred in the prior period. The increase in R&D expenses in the

fourth quarter was due primarily to the timing of receipt of drug substance in Q4 2020. The annual decreases were partially offset by higher non-cash stock-based compensation expense and salary costs attributable to the addition of employees with the expertise required to leverage the broad potential application of its technology.

- **G&A Expenses:** General and administrative expenses were $1.3 million and $5.0 million for the three and twelve months ended December 31, 2020, respectively, compared to $1.1 million and $3.4 million in the similar periods in 2019. The increase was primarily due to non-cash stock-based compensation expenses related to option grants to employees and consultants, and the timing of the related vesting. Salary costs also increased as the Company continued to grow its team.
- **Net Loss:** For the twelve months ended December 31, 2020, net loss, which included $3.5 million of non-cash expenses, was $11.2 million, or $0.35 per basic and diluted Common Share. For the twelve months ended December 31, 2019, net loss, which included $1.5 million of non-cash expenses, was $9.8 million, or $0.38 per basic and diluted Common Share. For the three months ended December 31, 2020, net loss, was $4.6 million, or $0.13 per basic and diluted Common Share compared to $2.9 million, or $0.10 per basic and diluted Common Share for the comparable period in 2019.

About NVG-291

NVG-291 is an inhibitor of protein tyrosine phosphatase sigma ("PTPσ"), a promising target for reducing the clinical effects of nerve damage, either as a result of trauma, such as in the case of spinal cord injury, traumatic brain injury or stroke, or neurodegenerative diseases, such as multiple sclerosis or Alzheimer's disease. NervGen believes that inhibiting the activity of PTPσ has the potential to promote nerve repair mechanisms such as nerve regeneration, remyelination and plasticity; promote autophagy, a cellular self-cleaning mechanism; and to promote a non-inflammatory phenotype in microglia cells, the innate immune cells of the brain.

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 multiple sclerosis, spinal cord injury 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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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 clinical development of NVG-291 including the timing of our Phase 1 study, our Phase 1b study in Alzheimer's disease and our Phase 2 trials in spinal cord injuries and multiple sclerosis, including our intention to conduct the trials in Australia; our intention to publish preclinical data; steps taken to minimize the impact of the COVID-19 pandemic on our operations; future financings and that Phase 1 and Phase 2 clinical studies are subject to additional funding; PTPσ and its benefits in treating spinal cord injuries, multiple sclerosis, peripheral nerve injury and cardiac ischemia; and our research for a solution 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 COVID-19 pandemic; the accuracy of the Company's financial projections; the Company's ability to move NVG-291 through clinical trials and 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, Amended and Restated 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.

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