NERVGEN PHARMA REPORTS 2021 YEAR END RESULTS AND PROVIDES UPDATE ON PHASE 1 STUDY

Vancouver, Canada. February 28, 2022 – **NervGen Pharma Corp. (TSX-V: NGEN; OTCQX: NGENF)** ("NervGen" or the "Company"), a clinical stage biotech company dedicated to developing innovative solutions for the treatment of nervous system damage, today reported its financial and operational results for the year ended December 31, 2021.

"We have continued to make important progress in our Phase 1 clinical trial with NVG-291 in the fourth quarter of 2021 and early 2022," stated Paul Brennan, NervGen's President & CEO. "We have recently completed dosing for five subjects in the first cohort of the multiple ascending dose (MAD) portion of the study. In this cohort, subjects were treated with either placebo or NVG-291 for 14 days at a dose of 0.384 mg/kg. We have now dosed enough subjects for NervGen to proceed to the second dose cohort on the study, pending approval by the safety review committee which is scheduled to occur in the coming weeks. We are very encouraged by the fact that there have been no serious adverse events reported to date in the MAD cohort."

Mr. Brennan added, "It is also important to note that in our animal models, the effective equivalent dose range in animals was 0.01 – 0.32 mg/kg. The dose that was used in the first cohort of the MAD has already exceeded the highest dose equivalent (0.32 mg/kg) used in the various animal models of nervous system injury and is over 35 times higher than the lowest effective dose (0.01mg/kg). The fact that we have now dosed subjects for 14 days at dose levels that have already exceeded the efficacious dose levels in animal models is very encouraging for our plans to progress to Phase 1b/2 studies by the end of this year and further increases our confidence that we can translate the unprecedented outcomes in animal studies to humans in our upcoming clinical trials."

"We also continue to benefit from the expertise of our Clinical Advisory Boards for Alzheimer's disease, multiple sclerosis and spinal cord injury (SCI)," Brennan continued. "Our ability to attract such top tier scientific and clinical experts says volumes about the underlying science as well as the significant potential of our therapeutic platform in treating damage to the central nervous system. Additionally, the two financings that we closed during the fourth quarter have strengthened our balance sheet and provided important funding for the continued development of NVG-291."

Operational Highlights for 2021

- We achieved a number of milestones in our Phase 1 clinical trial for NVG-291:
    - In March, we were cleared by the U.S. FDA to proceed with the single ascending dose portion (SAD) of our Phase 1 clinical trial in females, and the MAD portion of the trial in post-menopausal females.
    - Subsequently, we received approval from the Bellberry Human Research Ethics Committee in Australia and, in early May, we dosed the first subject.
    - In October, we provided a positive update on our Phase 1 program with NVG-291 in healthy volunteers at the 14th Annual Meeting of the American Neurological Association and later at the Society for Neuroscience's Neuroscience 2021 conference including blinded safety and pharmacokinetic data from the SAD cohort of the study that

demonstrated that NVG-291 was well tolerated and had favorable pharmacokinetic properties.

  - In December, we received ethics board approval from Bellberry Limited's Human Research Ethics Committee to proceed with the MAD portion of the trial which is currently ongoing.

- During the year we expanded the expertise of our management team and Board with the following additions:
  - Daniel Mikol, MD, PhD, as our Chief Medical Officer in May 2021. Dr. Mikol is a Board-Certified Neurologist with significant big-biotech and pharma experience which includes Amgen, Biogen and Novartis, who will oversee our medical and clinical activities, with a primary focus on NVG-291.
  - In September, we announced the addition of two experienced executives to our Board of Directors. Krista McKerracher is a biopharmaceutical leader, Board member, and strategic advisor with 35 years' experience in both large global pharmaceutical and small biotech companies. Glenn Ives is a senior accounting professional with strong finance experience having served as the Executive Chair of Deloitte Canada and the Chair of the Deloitte Global Risk Committee.
- We established three Clinical and Scientific Advisory Boards during the year comprised of world-class scientists and clinical researchers who will work closely with us as we plan our upcoming preclinical studies and clinical trials in Alzheimer's disease, multiple sclerosis and spinal cord injury.
- We completed four financings during the year raising aggregate gross proceeds of approximately $19 million. This included two financings in the fourth quarter including a bought deal financing comprised of the sale of 3,680,000 units of the Company for aggregate gross proceeds of $9,200,000, including full exercise of the underwriters' over-allotment option. Each unit was comprised of one common share and one-half common share purchase warrant. Each full warrant is exercisable to acquire one common share at an exercise price of $3.20 per common share, until November 12, 2023. Also in November, we completed a private placement comprised of the sale of 892,721 units of the Company at a price of $2.60 per unit, for aggregate gross proceeds of $2,321,075. Each unit was comprised of one common share and one-half common share purchase warrant. Each full warrant is exercisable to acquire one common share at an exercise price of $3.20 per common share, until November 29, 2023.
- We expanded our research activities in Alzheimer's disease by:
  - entering into research agreements with Sylics Contract Research, a contract research organization specializing in testing novel therapies in the field of neurosciences and with Massachusetts General Hospital to study the effects of NervGen's lead compound, NVG-291, in animal models of Alzheimer's disease, and
  - entering into a partnership with Imeka to use their imaging technology as a sensitive pharmacodynamic biomarker for planned Phase 1b/2 clinical trials.

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- In October we acknowledged the United States Senate Armed Services Committee's release of the Fiscal Year 2022 National Defense Authorization Act (FY22 NDAA) and the accompanying report language related to traumatic brain injury (TBI). The FY22 NDAA report calls for the Department of Defense (DoD) to continue investments in promising therapeutics, like NervGen's NVG-291, for the treatment of nervous system disorders, including TBI. President Biden subsequently signed the FY22 NDAA into law on December 27, 2021, allowing the DoD to move forward with the research.
- Subsequent to year end, in January, we announced that we entered into a Memorandum of Understanding with Shirley Ryan AbilityLab with the intention of performing our first clinical trial in spinal cord injury patients. The single site clinical trial, which is expected to start in the second half of 2022, will be a placebo-controlled trial, assessing the safety and efficacy of NVG-291 in treating acute/subacute (<3 months post-injury) and chronic (≥1 year post-injury) patients.

Financial Highlights

- **Cash and Investments**: NervGen had cash and investments of $16.9 million as of December 31, 2021, compared to $5.6 million as of December 31, 2020. The net cash burn for the year ended December 31, 2021 from operating activities was approximately $8.3 million. This was offset by approximately $17.2 million in net proceeds from financing and $2.4 million proceeds from the exercise of stock options and warrants during the year.
- **R&D Expenses:** Research and development expenses were $2.5 million and $6.9 million for the three and twelve months ended December 31, 2021, respectively, compared to $3.3 million and $6.2 million in the same periods of 2020. The increase in the year ended December 31, 2021, was primarily due to clinical costs associated with the initiation of our Phase 1 clinical trial, while the decrease in the three month period pertains to chemistry, manufacturing and control work related to the manufacture of a GMP batch of NVG-291 completed in the previous year, not required in the same quantity in the current period.
- **G&A Expenses:** General and administrative expenses were $1.6 million and $5.9 million for the three and twelve months ended December 31, 2021, respectively, compared to $1.1 million and $5.0 million in the same periods of 2020. The increases were primarily due to legal, professional, financial and corporate communication services directed to increasing awareness about our technology and attract investors.
- **Net Loss:** For the twelve months ended December 30, 2021, net loss, which included $4.1 million of non-cash expenses, was $12.7 million, or $0.32 per basic and diluted Common Share. 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 three months ended December 31, 2021, net loss, was $4.1 million, or $0.09 per basic and diluted Common Share compared to $4.6 million, or $0.13 per basic and diluted Common Share for the same period in 2020.

About NVG-291

NervGen holds the exclusive worldwide rights to NVG-291 and is developing a unique new class of drugs around the technology. NVG-291 is a therapeutic peptide which is a mimetic of the intracellular domain

of protein tyrosine phosphatase (PTPσ), a cell surface receptor known to interact with chondroitin sulfate proteoglycans (CSPGs) and to be involved in the regulation of neuroplasticity and central nervous system repair. In preclinical studies, NVG-291 has demonstrated the potential to promote repair mechanisms in the nervous system, including axonal regeneration, remyelination, and enhanced plasticity. The demonstration of repair via these mechanisms in animal models of nervous system injury has been accompanied by recovery of multiple neurological functions, including motor, sensory, autonomic and cognitive functions. NVG-291 has shown efficacy in a range of animal models, including models of nervous system trauma (e.g. spinal cord injury, peripheral nerve injury) and disease (multiple sclerosis, stroke).

About NervGen

NervGen is restoring life's potential by creating innovative treatments for nervous system damage due to injury or disease. The Company is initially developing treatments for Alzheimer's disease, multiple sclerosis and spinal cord injury. For more information, go to www.nervgen.com.

NervGen is currently conducting a Phase 1 trial with its lead product, NVG-291, in heathy subjects. Following completion of the MAD portion of the study and ongoing toxicology studies requested by the United States Food and Drug Administration (FDA), NervGen will seek removal of the partial clinical trial hold initiated by the FDA and perform bridging studies in healthy males and in healthy premenopausal females. Once the bridging studies are complete, NervGen intends to initiate Phase 1b/2 trials in Alzheimer's disease, spinal cord injury and multiple sclerosis with each of these trials planned to start in 2022.

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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 of the clinical development of NVG-291; the objectives, timing and study design of the Phase 1 study in healthy volunteers; our confidence that we can translate the unprecedented outcomes in animal studies to humans in our upcoming clinical trials; the expected contributions of the new members of our Clinical Advisory Boards and Board of Directors; our plans to use Imeka’s imaging technology as a sensitive pharmacodynamic biomarker for NVG-291 in our Phase 1b/2 clinical trials; the timing and requirements to proceed to the MAD portion of the Phase 1 clinical trial and to remove the partial clinical hold initiated by the FDA; our clinical trial designs and timing to evaluate the therapeutic potential of NVG-291 in patients in Phase 1b/2 clinical trials in Alzheimer’s disease, multiple sclerosis and spinal cord injury upon successful completion of the Phase 1 trial and bridging studies; the belief that modulating the activity of PTPσ is a promising target for reducing the clinical effects of nervous system damage through multiple mechanisms; and the creation of innovative treatments of nervous system damage due to trauma or disease.

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.