NERVGEN PHARMA REPORTS Q1 2023 RESULTS AND PROVIDES OPERATIONAL UPDATE INCLUDING CLINICAL TRIALS OF PROPRIETARY NVG-291

- Phase 1 clinical trial dosing completed
- Phase 1b/2a clinical trial of NVG-291 in individuals with *chronic* and *subacute* spinal cord injuries expected to commence in Q3 2023
- Cash and investments of $18.0 million as of March 31, 2023

Vancouver, Canada. May 15, 2023 – **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 first quarter ended March 31, 2023. Operational highlights outlined below refer to NervGen's proprietary lead drug candidate, NVG-291, which has been demonstrated in preclinical studies to enable functional recovery by promoting repair mechanisms in the nervous system, including axonal regeneration, remyelination and plasticity.

NervGen's President & CEO, Mike Kelly, stated, "We are encouraged by the progress we have made in the clinical development of NVG-291 in the last quarter. Moving forward with a clinical trial in individuals with spinal cord injury (SCI) is an important next step for the Company and for individuals and families impacted by SCI. Our team has developed a unique trial design that includes clinical, electrophysiological and biomarker endpoints to evaluate NVG-291's ability to restore function in humans with SCI. We expect the chronic cohort to enroll rapidly and our goal is to have topline results for this group in 2024."

Operational Highlights for Q1 2023

- We advanced the Phase 1 clinical trial of NVG-291:
    - In February, we announced that we had completed dosing of all 70 subjects in the NVG-291 Phase 1 clinical trial. Data from the trial is still being analyzed. We are pleased to report that NVG-291 was well tolerated overall. A maximally tolerated dose was not reached, all adverse events were mild or moderate, and there were no serious adverse events reported in subjects receiving NVG-291. Injection site related adverse events were the only type of adverse event increased in subjects receiving NVG-291 compared to placebo. There was no effect of NVG-291 on vital signs, electrocardiograms, laboratory studies or other clinical parameters measured in the healthy volunteers in this study. We plan to initiate a Phase 1b/2a clinical trial of NVG-291 in individuals with spinal cord injury in Q3 2023.
    - In April, our Chief Medical Officer, Dr. Dan Mikol presented the study design for our Phase 1b/2a clinical trial of NVG-291 in spinal cord injury and summarized the safety and pharmacokinetic results from the Phase 1 trial of NVG-291 in healthy volunteers at the American Spinal Injury Association 50th Annual Scientific Meeting. The Phase 1b/2a placebo-controlled proof-of-concept trial will evaluate the efficacy of NVG-291 in two cohorts of individuals with cervical spinal cord injury: chronic (1-10 years post-injury) and subacute (10-49 days post-injury). We plan to evaluate the efficacy of a fixed dose of NVG-291 administered

once daily for 12 weeks with a four-week follow-up using clinical outcome measures and objective electrophysiological measures that provide quantitative information about motor recovery. Specifically, the primary objective will be to assess the change in corticospinal connectivity of specific upper and lower extremity muscle groups following treatment, based on changes in motor evoked potential amplitudes. Our secondary objectives will include a number of clinical outcome assessments focusing on motor function and mobility, as well as additional electrophysiological measurements. Each cohort will be evaluated independently as the data becomes available. We expect to have data readout in 2024.

- Subsequent to the quarter end, we expanded the expertise of our team and Board with the following addition:

    - On April 10, 2023, we announced that we had hired Mike Kelly as our President & CEO. Mr. Kelly brings three decades of pharmaceutical experience playing instrumental roles in the creation, development and strengthening of several companies. Concurrent with Mr. Kelly's appointment, Bill Radvak, Adam Rogers and Glenn Ives stepped down from their positions of Interim CEO, Interim President and Lead Independent Director, respectively, but remain members of the Board. Mr. Radvak remains Chairman of the Board.

Financial Highlights

- **Cash and Investments**: NervGen had cash and investments of $18.0 million as of March 31, 2023, compared to $22.5 million as of December 31, 2022. The net cash burn for Q1 2023 from operating activities was approximately $4.8 million. This was offset by approximately $0.4 million in proceeds from the exercise of options and warrants during the quarter.

- **R&D Expenses:** Research and development expenses were $3.0 million for the three months ended March 31, 2023, compared to $3.6 million in the same period in 2022. The decrease in Q1 2023 was primarily due to chemistry, manufacturing and control work pertaining to the manufacture of NVG-291 required for chronic toxicology studies and planned clinical trials, conducted in the previous period, partially offset by an increase in clinical and regulatory costs for the final cohort in our Phase 1 clinical study and increased regulatory costs related to resolving the FDA partial clinical hold.

- **G&A Expenses:** General and administrative expenses were $1.7 million for the three months ended March 31, 2023, compared to $1.4 million for the same period in 2022. The increase in Q1 2023 was primarily due to increased corporate communications costs as we endeavor to increase awareness about our technology and attract investors. Legal, professional, and financial service fees were also increased due to recruitment fees related to hiring a new CEO along with audit fee increases as a result of a change in auditors and additional audit procedures due to our continued growth as well as corporate consulting costs for our Interim President and Interim CEO. The increases were partially offset by a decrease in employee salaries, bonuses, and benefits attributable to no salary recorded for our former CEO in the current period.

- **Net Loss:** For the three months ended March 31, 2023, net loss, which included $0.9 million of non-cash expenses, was $4.7 million, or $0.08 per basic and diluted common share. For the three months ended March 31, 2022, net loss, which included $0.8 million of non-cash expenses, was $5.0 million, or $0.11 per basic and diluted common share.

About NVG-291

NervGen holds exclusive worldwide rights to NVG-291, a first-in-class therapeutic targeting pathogenic mechanisms that interfere with nervous system repair. NVG-291 is a therapeutic peptide derived from the intracellular domain of the receptor protein tyrosine phosphatase sigma (PTPσ). NVG-291-R, a rodent analog of NVG-291, has been shown to promote nervous system repair and functional recovery in animal models of spinal cord injury, peripheral nerve injury, multiple sclerosis and stroke, through enhanced plasticity, axonal regeneration, and remyelination.

About NervGen

NervGen (TSX-V: NGEN, OTCQX: NGENF) is a clinical stage biotech company dedicated to developing innovative treatments that enable the nervous system to repair itself following damage, whether due to injury or disease. NervGen's lead drug candidate, NVG-291, is currently planned for a Phase 1b/2a clinical trial. The Company's initial target indications include spinal cord injury, Alzheimer's disease and multiple sclerosis. For more information, go to www.nervgen.com.

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Follow NervGen on Twitter, LinkedIn, and Facebook for the latest news on the Company.

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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, study design, planned clinical endpoints, timing, expected rate of enrollment and data readout of our Phase 1b/2a clinical trial in individuals with spinal cord injury; our initial target indications of spinal cord injury, Alzheimer's disease and multiple sclerosis; 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 that enable the nervous system to repair itself following damage, whether due to injury 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, Short Form Base Shelf Prospectus, 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.