

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Algernon Pharmaceuticals Inc. (the “**Issuer**” or the “**Company**”).

Trading Symbol: AGN

Number of Outstanding Listed Securities: 21,640,762

Date: February 8, 2024

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer’s business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Company’s main activities continue to include advancing its three core programs, including its N,N-dimethyltryptamine (“DMT”) stroke research program, its idiopathic pulmonary fibrosis (“IPF”)/chronic cough program with Ifenprodil and its chronic kidney disease (“CKD”) research program with Repirinast.

The Company continues its planning activities to advance its core programs focusing on the planning of a phase 2 clinical trial for DMT in stroke and a phase 2b clinical trial for Ifenprodil in chronic cough as well as advancing its letter of intent (“LOI”) with Seyltx Inc. (“Seyltx”) as described in a news release on November 22, 2023.

The Company received a notice of allowance from the Japanese Patent Office for patent application No. 2021-547495 entitled: Compositions and Methods for Treating IPF as well as a notice of intention to grant from the Chinese Patent Office for patent application No. 201980043698.6 for Repirinast. The Company’s intellectual property strategy for its repurposed drug program includes protecting its compounds by filing patent applications including method of use, dosing and formulations, and for new composition of matter patents based on novel salt forms.

Additionally, the Company granted 1,625,000 restricted share units (“RSU”) pursuant to its RSU Plan to executives and directors of the Company and 100,000 stock options, exercisable at \$0.075 for two years from the date of grant, to a consultant of the Company. The RSUs and stock options vested on the grant date.

2. Provide a general overview and discussion of the activities of management.

The Company's main activities have included advancing its three core programs, including its DMT stroke research program, its IPF/chronic cough program with Ifenprodil and its CKD research program with Repirinast.

The Company continues its planning activities to advance its core programs focusing on the planning of a phase 2 clinical trial for DMT in stroke and a phase 2b clinical trial for Ifenprodil in chronic cough as well as advancing its LOI with Seyltx.

The Company received a notice of allowance from the Japanese Patent Office for patent application No. 2021-547495 entitled: Compositions and Methods for Treating IPF as well as a notice of intention to grant from the Chinese Patent Office for patent application No. 201980043698.6 for Repirinast.

Additionally, the Company granted 1,625,000 RSUs pursuant to its RSU Plan to executives and directors of the Company and 100,000 stock options, exercisable at \$0.075 for two years from the date of grant, to a consultant of the Company. The RSUs and stock options vested on the grant date.

3. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**None**

4. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**None**

5. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None**

6. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the dispositions was to a Related Person of the Issuer and provide details of the relationship.

**None.**

7. Describe the acquisition of new customers or loss of customers.

**None.**

8. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**None.**

9. Report on any employee hiring's, terminations or lay-offs with details of anticipated length of lay-offs.

**None.**

10. Report on any labour disputes and resolutions of those disputes if applicable.

**None.**

11. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**None.**

12. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**None.**

13. Provide details of any securities issued and options or warrants granted.

| <b>Security</b> | <b>Number Issued</b> | <b>Details of Issuance</b>   | <b>Use of Proceeds</b> |
|-----------------|----------------------|--|------------------------|
| RSUs            | 1,625,000            | Granted on January 30, 2024, to executives and directors of the Company. Each RSU entitles the recipient to receive one common share of the Company or a cash payment equal to the equivalent of one common share of the Company on vesting. The RSUs vested on the date of grant. | N/A                    |
| Stock Options   | 100,000              | Granted on January 30, 2024, to a consultant of the Company. Each stock option is exercisable at \$0.075 for two years from the date of grant. The stock options vested on the date of grant.  | N/A                    |

14. Provide details of any loans to or by Related Persons.

**None.**

15. Provide details of any changes in directors, officers or committee members.

**None.**

16. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**None**

**The Issuer's business involves certain risks and uncertainties that are inherent to the Issuer's industry. Please to the "Risks Related To The Business" section of the Issuer's management discussion and analysis for the year ended August 31, 2023, which is available on SEDAR at [www.sedar.com](http://www.sedar.com).**

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: February 8, 2024

James Kinley  
Name of Director or Senior  
Officer

"James Kinley"  
Signature

CFO  
Official Capacity

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|--|------------------|----------------------------|
| <b><i>Issuer Details</i></b><br>Name of Issuer         | For Month End    | Date of Report<br>YY/MM/DD |
| Algernon Pharmaceuticals Inc.                          | January 31, 2024 | 2024/02/08                 |
| Issuer Address<br>Suite 400 – 601 West Broadway Street |                  |                            |
| City/Province/Postal Code                              | Issuer Fax No.   | Issuer Telephone No.       |
| Vancouver, BC V5Z 4C2                                  | NA               | (604) 398-4175 ext. 701    |
| Contact Name   | Contact Position | Contact Telephone No.      |
| James Kinley   | CFO              | (604) 398-4175 ext. 701    |