

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: 90,050,751

Date: March 6, 2020

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 is focussed on planning preparations for its first Phase 2 clinical trial for idiopathic pulmonary fibrosis and chronic cough.

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

On Feb 7th, 2020 the Company announced that Dr. Jacky Smith, Professor of Respiratory Medicine and a leading global scientific expert and clinician in the area of understanding the mechanisms underlying cough in respiratory diseases and the testing of novel anti-tussive therapies, has joined the Algernon Medical and Scientific Advisory Board.

On Feb 21, 2020 the Company announced that, due to strong demand, it has increased its previously announced non-brokered private placement of units (the "Units"), and has issued an aggregate of 18,304,939 Units at the price of CDN\$0.085 per Unit, raising gross proceeds of CDN\$1,555,919.82 (the “Offering”).

On March 6th The Company announced that it is exploring the potential of using NP-120 (Ifenprodil) as a novel treatment for COVID-19, also known as the coronavirus. A recent independent study found that Ifenprodil significantly reduced acute lung injury (ALI) and improved survivability in an animal study with H5N1 infected mice. H5N1 is the most lethal form of influenza known to date with an over 50% mortality rate.

Based on this study, published by the American Society of Microbiology in mSystems in the December 2019 issue, the Company believes that Ifenprodil has the potential to be a front-line treatment for the most severe cases of coronavirus, and may also reduce morbidity in patients. Coronavirus currently has an overall predicted mortality rate of approximately 4%. Management’s belief that Ifenprodil is a possible treatment for COVID-19 is based on historic animal studies and not on human trials.

On March 6th, 2020, the Company announced that it will set aside some of its NP-120 (Ifenprodil) drug supply from its planned phase 2 study for idiopathic fibrosis and chronic cough, to make it available on a compassionate use basis, to physicians and their patients with the most serious cases of coronavirus.

The decision was made based on the results of an independent study of Ifenprodil which showed a 40% improvement in mortality and significantly reduced acute lung injury (ALI) in a recent H5N1 animal study. H5N1 is one of the most lethal form of influenza known with a 53% mortality rate.

Since Ifenprodil is an already approved drug with a known safety history, it can be safely administered to patients without additional pre-clinical testing.

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.

Security	Number Issued	Details of Issuance	Use of Proceeds
Common Shares	18,304,939	Issued 18,304,939 Units at the price of \$0.085 per Unit raising \$1,555,919.82. Each Unit consisted of one common share and one share purchase warrant. Each warrant will entitle the holder to acquire one additional share at a price of \$0.12 per share until August 20, 2022. All securities issued in connection with the Offering are subject to a statutory hold period expiring June 21, 2020.	To fund planned phase 2 clinical trial programs and for general corporate purposes.
Stock Options	4,275,000	The Company, effective February 13, 2020, granted 4,375,000 stock options to certain directors, officers, and consultants. Each option is exercisable into one Share at a price of \$0.10 until February 13, 2025. All the options vest immediately with the exception of 100,000 which will vest on August 13, 2020.	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.

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, 2019, which is available on SEDAR at 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 were 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: March 6, 2020

Christopher Moreau
Name of Director or Senior
Officer

"Christopher Moreau"
Signature

CEO
Official Capacity

<i>Issuer Details</i> Name of Issuer	For Month End	Date of Report YY/MM/D
Algernon Pharmaceuticals Inc.	Feb. 29, 2020	2020/03/06
Issuer Address Suite 915 – 700 West Pender Street		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, BC V6C 1G8	NA	(604) 646-1553
Contact Name	Contact Position	Contact Telephone No.
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