

Algernon Pharmaceuticals Announces Reduction of Key Secondary Marker of Fibrosis in Pre-Clinical NASH Study

VANCOUVER, BC – (April 1, 2019) – Algernon Pharmaceuticals Inc. (CSE: AGN) (FRANKFURT: AGW) (OTCB: BTHCF) (the “**Company**” or “**Algernon**”) a clinical stage pharmaceutical development company is pleased to announce that after additional biochemical analysis, NP-135, one of its lead compounds for non-alcoholic steatohepatitis (“NASH”), showed that in addition to being metabolically neutral in a number of important measurements, it further demonstrated a 34.6% reduction of a key secondary marker of fibrosis, liver hydroxyproline. The analysis was part of a recently completed pre-clinical study for NASH that used the widely accepted STAM™ mouse model from SMC Laboratories.

Results from the biochemical analysis showed:

- Neither NP-135 or Cenicriviroc (CVC), both a positive control and comparator arm in the study, and currently in Phase III trials for NASH, showed any significant negative effect on any important metabolic markers including glucose, lipids and cholesterol.
- NP-135 (200 mg/kg, QID) showed a 34.6% ($p < 0.001$) reduction in liver hydroxyproline compared to negative controls.
- Cenicriviroc (40 mg/kg, QID) showed a 29.0% ($p < 0.01$) reduction in liver hydroxyproline when compared to negative controls.

“Fibrosis is the real problem in NASH and many other related diseases”, said Christopher J. Moreau, CEO of Algernon pharmaceuticals. “When you consider that NP-135 directly reduced fibrosis in this NASH study by 84.3% and further reduced hydroxyproline, another key marker by 34.6%, its easy to see why we believe so strongly that NP-135 could one day be a leading candidate for the management and treatment of NASH”.

About Algernon Pharmaceuticals Inc.

Algernon Pharmaceuticals is a clinical stage pharmaceutical development company focused on advancing its lead compounds for non-alcoholic steatohepatitis (NASH), chronic kidney disease (CKD) and inflammatory bowel disease (IBD).

CONTACT INFORMATION

Christopher J. Moreau
CEO
Algernon Pharmaceuticals Inc.
604.398.4175 ext 701
info@algernonpharmaceuticals.com
investors@algernonpharmaceuticals.com
www.algernonpharmaceuticals.com

The CSE does not accept responsibility for the adequacy or accuracy of this release.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release. The Canadian Securities Exchange has not in any way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

CAUTIONARY DISCLAIMER STATEMENT: No Securities Exchange has reviewed nor accepts responsibility for the adequacy or accuracy of the content of this news release. This news release contains forward-looking statements relating to product development, licensing, commercialization and regulatory compliance issues and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include the failure to satisfy the conditions of the relevant securities exchange(s) and other risks detailed from time to time in the filings made by the Company with securities regulations. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by applicable law.