

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Algernon Pharmaceuticals Inc. (“AGN” or the “Company”)
Suite 915 – 700 West Pender Street
Vancouver, BC V6C 1G8

Item 2. Date of Material Change

November 24, 2021

Item 3. News Release

News Releases dated November 17, 2021 November 23, 2021 were disseminated and filed on SEDAR.

Item 4. Summary of Material Change

The Company consolidated its common shares effective November 24, 2021.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

Effective November 24, 2021, the Company completed a consolidation of its authorized and issued Class A common shares (the “**Common Shares**”) on the basis of a one (1) post-consolidation Common Share for every one hundred (100) pre-consolidation Common Shares (the “**Consolidation**”). The Consolidation was approved by the board of directors of the Company.

Prior to the Consolidation, the Company had 167,486,769 pre-consolidation Common Shares issued and outstanding and the Company now has approximately 1,674,851 Common Shares issued and outstanding post-consolidation. No fractional shares were issued. Any fractional shares resulting from the Consolidation were converted such that each fractional share remaining after conversion that is less than one-half of a Common Share was cancelled and each fractional Common Share that is at least one-half of a Common Share was changed to one whole Common Share.

The Company's new CUSIP number is 01559R400 and the new ISIN number is CA01559R4008. A letter of transmittal was sent by mail to registered shareholders advising that the Consolidation has taken effect. The letter of transmittal will contain instructions on how registered shareholders can exchange their share certificates or DRS statements evidencing their preconsolidated Common Shares for new share certificates or new DRS statements representing the number of post-Consolidation Common Shares to which they are entitled. No action is required by non-registered shareholders (shareholders who hold their shares through an intermediary) to effect the Consolidation.

The Company is undertaking the Consolidation to, among other things, assist the Company in meeting the listing requirements of the Nasdaq Capital Market. The listing of the Company's Common Shares on the Nasdaq Capital Market remains subject to Nasdaq approval and the satisfaction of all applicable listing, governance and regulatory requirements. While the Company intends and believes it will be able to satisfy all of the applicable requirements, there is no assurance that it will be successful in satisfying the listing requirements or that its application will be approved.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

None.

Item 8. Executive Officers

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Christopher Moreau, Chief Executive Officer
Telephone: 604-218-6281

Item 9. Date of Report

December 3, 2021.