

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Algernon Pharmaceuticals Inc. (“**AGN**” or the “**Company**”)
Suite 400 – 601 West Broadway
Vancouver, British Columbia
V5Z 4C2

Item 2. Date of Material Change

November 4, 2024

Item 3. News Release

News Release dated November 4, 2024 was disseminated through newswire services and filed on SEDAR.

Item 4. Summary of Material Change

The Company has extended the expiry date of an aggregate of 4,752,969 outstanding warrants (the “**2023 Warrants**”). The 2023 Warrants were issued in connection with the closing of a rights offering by the Company on May 5, 2023.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company has extended the expiry date of an aggregate of 4,752,969 outstanding warrants (the “**2023 Warrants**”). The 2023 Warrants were issued in connection with the closing of a rights offering by the Company on May 5, 2023.

The initial exercise price of the 2023 Warrants is \$0.52 and remains unchanged. The 2023 Warrants have an original expiration date of November 5, 2024. The Company proposes to extend the expiration date of the 2023 Warrants by an additional six months, so that the 2023 Warrants will expire on May 5, 2025 (the “**Amendment**”). All other terms and conditions of the 2023 Warrants will remain unchanged.

The Amendment is subject to final Canadian Securities Exchange (the “**CSE**”) approval; however, the CSE has granted an exemption from the requirements of Section 6.7(3)(c) (no warrants exercised in the last six months) and 6.7(3)(d) (at least 10 trading days remain before expiry) of CSE Policy 6 to permit the Company to undertake the Amendment. No action will be required on the part of the holders of the 2023 Warrants to give effect to the Amendment. In accordance with the requirements of the CSE, the terms of any warrants issued as compensation warrants or as finder warrants are not eligible for amendment.

400 of the 2023 Warrants have been exercised. 2,018,982 of the 2023 Warrants are owned by insiders of the Company, representing 42.5% of the aggregate

number of 2023 Warrants. As a portion of the 2023 Warrants are held by insiders of the Company, the Amendment may constitute a “related party transaction” as defined under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Amendment are exempt from the formal valuation and minority shareholder approval requirements under MI 61-101 as neither the fair market value of the 2023 Warrants issued to insiders nor the cash consideration paid for such 2023 Warrants exceeds 25% of the market capitalization of the Company.

The 2023 Warrants and the underlying Class A common shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration is available. This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities referred to herein.

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 J. Moreau, Chief Executive Officer
Telephone: 604.398.4175 ext 701

Item 9. Date of Report

November 6, 2024.