



Condensed consolidated interim financial statements of

# **NervGen Pharma Corp.**

(Expressed in Canadian Dollars - Unaudited)

For the three months ended March 31, 2022

**NERVGEN PHARMA CORP.**  
**Consolidated Statements of Financial Position**

(Expressed in Canadian dollars)

(Unaudited)

as at	March 31, 2022	December 31, 2021
	\$	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash	12,828,365	16,928,857
Accounts receivable	69,873	64,002
Prepays and deposits (Notes 6, 11)	527,339	427,577
	<b>13,425,577</b>	<b>17,420,436</b>
<b>Non-current assets</b>		
Capital assets	7,134	2,691
Intangible assets (Note 7)	462,715	473,152
	<b>469,849</b>	<b>475,843</b>
	<b>13,895,426</b>	<b>17,896,279</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 8, 11)	1,119,388	1,078,080
	<b>1,119,388</b>	<b>1,078,080</b>
<b>Shareholders' Equity</b>		
Common shares (Note 9)	42,552,274	42,403,307
Reserves (Note 10)	10,239,981	9,463,514
Deficit	(40,016,217)	(35,048,622)
	<b>12,776,038</b>	<b>16,818,199</b>
	<b>13,895,426</b>	<b>17,896,279</b>

Nature of business (Note 1)

Commitments (Note 12)

Subsequent events (Note 14)

Approved by the Board

/s/ William J. Radvak Director

/s/ Glenn A. Ives Director

*The accompanying notes are an integral part of these condensed consolidated interim financial statements*

## NERVGEN PHARMA CORP.

### Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

(Unaudited)

	For the 3 Months Ended March 31, 2022 \$	For the 3 Months Ended March 31, 2021 \$
<b>Operating expenses</b>		
Research and development (Note 13)	3,602,063	746,618
General and administration (Note 13)	1,402,282	1,483,559
<b>Total operating expenses</b>	<b>5,004,345</b>	2,230,177
Interest income	(17,337)	(4,678)
Foreign exchange (gain) loss	(19,413)	21,918
<b>Net loss and comprehensive loss for the year</b>	<b>(4,967,595)</b>	(2,247,417)
Basic and diluted net loss per share	(0.11)	(0.06)
Weighted average common shares outstanding (Note 9)	46,229,176	35,463,422

*The accompanying notes are an integral part of these condensed consolidated interim financial statements*

**NERVGEN PHARMA CORP.**  
**Consolidated Statements of Cash Flows**

(Expressed in Canadian dollars)

(Unaudited)

	<b>Three Months Ended March 31, 2022</b>	<b>Three Months Ended March 31, 2021</b>
	<b>\$</b>	<b>\$</b>
<b>Operating activities</b>		
Net loss for the period	<b>(4,967,595)</b>	(2,247,417)
Items not involving cash:		
Amortization of intangible asset	<b>10,437</b>	9,555
Depreciation	<b>947</b>	428
Stock-based compensation	<b>797,101</b>	775,997
Unrealized foreign exchange	<b>(3,930)</b>	25,591
Changes in non-cash working capital:		
Accounts receivable	<b>(5,871)</b>	30,022
Prepaid expenses	<b>(99,762)</b>	(284,860)
Accounts payable and accrued liabilities	<b>41,308</b>	403,506
	<b>(4,227,365)</b>	(1,287,178)
<b>Investing activities</b>		
Payments to acquire capital assets	<b>(5,390)</b>	-
	<b>(5,390)</b>	-
<b>Financing activities</b>		
Option and warrant exercises	<b>128,333</b>	700,983
	<b>128,333</b>	700,983
Effect of foreign exchange on cash	<b>3,930</b>	(25,591)
<b>Net decrease in cash</b>	<b>(4,100,492)</b>	(611,786)
Cash, beginning of period	<b>16,928,857</b>	5,598,560
<b>Cash, end of period</b>	<b>12,828,365</b>	4,986,774

Cash paid for interest and taxes	\$	-	\$	-
Non-cash transactions:				
Fair value of options allocated to share capital		-		360,905
Fair value of warrants allocated to share capital		20,634		2,242

*The accompanying notes are an integral part of these condensed consolidated interim financial statements*

**NERVGEN PHARMA CORP.**  
**Consolidated Statements of Changes in Shareholders' Equity**

(Unaudited)

	Common Shares		Reserves	Deficit	Total Shareholders' Equity
	Number	Amount			
		\$	\$	\$	\$
<b>Balance December 31, 2020</b>	<b>35,167,875</b>	<b>22,947,031</b>	<b>5,295,229</b>	<b>(22,322,044)</b>	<b>5,920,216</b>
Option exercises	679,930	1,040,835	(360,905)	-	679,930
Warrant exercises	12,887	23,295	(2,242)	-	21,053
Stock-based compensation	-	-	775,997	-	775,997
Loss and comprehensive loss	-	-	-	(2,247,417)	(2,247,417)
<b>Balance March 31, 2021</b>	<b>35,860,692</b>	<b>24,011,161</b>	<b>5,708,079</b>	<b>(24,569,461)</b>	<b>5,149,779</b>
<b>Balance December 31, 2021</b>	<b>46,189,584</b>	<b>42,403,307</b>	<b>9,463,514</b>	<b>(35,048,622)</b>	<b>16,818,199</b>
Warrant exercises	79,969	148,967	(20,634)	-	128,333
Stock-based compensation	-	-	797,101	-	797,101
Loss and comprehensive loss	-	-	-	(4,967,595)	(4,967,595)
<b>Balance March 31, 2022</b>	<b>46,269,553</b>	<b>42,552,274</b>	<b>10,239,981</b>	<b>(40,016,217)</b>	<b>12,776,038</b>

*The accompanying notes are an integral part of these consolidated financial statements*

# NervGen Pharma Corp.

Notes to the condensed consolidated interim financial statements (unaudited)  
For the three months ended March 31, 2022 and 2021  
(Expressed in Canadian Dollars)

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## 1. Nature of business

NervGen Pharma Corp. (the "Company" or "NervGen") is a publicly traded company incorporated on January 19, 2017 under the Business Corporations Act (British Columbia). The corporate office of the Company is located at 2955 Virtual Way, Suite 480, Vancouver, BC, V5M 4X6, Canada, and the registered office is located at Suite 2600, 595 Burrard Street, Vancouver, BC, V7X 1L3, Canada.

NervGen's common shares commenced trading on the TSX-V under the symbol "NGEN" on March 15, 2019 and on the U.S. over-the counter OTCQB® market, on May 3, 2019 under the trading symbol "NGENF". NervGen subsequently uplisted to the OTCQX® on June 10, 2019.

The Company has two wholly owned subsidiaries: NervGen US Inc. incorporated in the State of Delaware on June 11, 2018 and NervGen Australia Pty Ltd. registered in Queensland on December 8, 2020.

The Company's principal business activity is the discovery, development and commercialization of pharmaceutical treatments of nervous system damage due to injury or disease. NervGen is advancing its lead compound, NVG-291, for the treatment of spinal cord injury ("SCI"), Alzheimer's disease and multiple sclerosis ("MS").

The Company continues to evaluate and monitor the impact or any potential impacts of the COVID-19 pandemic to the business. The pandemic has an impact on the Company's third-party vendors which could result in the interruption of operations and result in development delays including the ongoing pre-clinical, manufacturing and clinical activities related to NVG-291. As the COVID-19 health crisis further evolves, the Company will continue to rely on guidance and recommendations from local health authorities, Health Canada and the Centers for Disease Control and Prevention to update the Company's policies.

## 2. Basis of presentation and significant accounting policies

### a) *Statement of compliance*

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' (IAS 34) using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the Interpretations of the International Financial Reporting and Interpretations Committee ("IFRIC").

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2021.

The condensed consolidated interim financial statements were approved by the Company's Board of Directors and authorized for issue on May 11, 2022.

### b) *Going Concern*

These condensed consolidated interim financial statements have been prepared in accordance with IFRS accounting principles applicable to a going concern using the historical cost basis.

Management has forecasted the Company will have sufficient working capital to operate for the ensuing 12 months. While the Company has been successful in the past in obtaining financing, there can be no assurance that the Company will be able to obtain adequate financing, or that such financing will be on terms acceptable to the Company, to meet future operational needs which may result in the delay, reduction, or discontinuation of ongoing development programs.

# NervGen Pharma Corp.

Notes to the condensed consolidated interim financial statements (unaudited)  
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## 2. Significant accounting policies cont'd

These condensed consolidated interim financial statements do not reflect the adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and settle its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements. Such amounts could be material.

### c) *Principles of Consolidation*

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries NervGen US Inc. and NervGen Australia Pty Ltd. The subsidiaries are fully consolidated from the date at which control is determined to have occurred and are deconsolidated from the date that the Company no longer controls the entity. Intercompany transactions, balances, and gains and losses on transactions between subsidiaries are eliminated.

### d) *Functional and presentation currency*

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of NervGen and its subsidiaries is the Canadian dollar.

### e) *Significant accounting judgements, estimates and assumptions*

The preparation of these condensed consolidated interim financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from these estimates.

The condensed consolidated interim financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements and may require accounting adjustments based on future occurrences. The estimates and underlying assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The key assumptions concerning the future, and other key sources of estimation uncertainty, as of the date of the condensed consolidated interim statement of financial position, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next fiscal year arise in connection with valuation of intangible assets, valuation of deferred tax and the determination of the functional currency of the Company. Significant estimates also take place in connection with the valuation of stock-based compensation.

### f) *New accounting policy*

No new standards, amendments to standards, or interpretations which may have a material impact on the Company's condensed consolidated interim financial statements have taken effect or have been applied in preparing these financial statements.

## 3. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses. The Company has one reportable operating segment being the research and development of pharmaceutical drugs. The Company's intangible assets are registered in the US, and as of March 31, 2022, the Company had other current assets of approximately \$207,000 USD (December 31, 2021 - \$923,000 USD), in the US. As of March 31, 2022, the Company also had deposits of approximately \$388,000 AUD (December 31, 2021 - \$337,000 AUD) held by Australian vendors and other current assets of approximately \$306,000 AUD (December 31, 2021 - \$285,000 AUD), in Australia. All other assets are held in Canada.

# NervGen Pharma Corp.

Notes to the condensed consolidated interim financial statements (unaudited)  
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## 4. Capital disclosures

The Company defines its capital as share capital, warrants and options. The Company's objectives, when managing capital, are to safeguard cash as well as maintain financial liquidity and flexibility in order to preserve its ability to meet financial obligations and deploy capital to grow its businesses.

The Company's financial strategy is designed to maintain a flexible capital structure consistent with the objectives stated above and to respond to business growth opportunities and changes in economic conditions. In order to maintain or adjust its capital structure, the Company may issue shares or issue debt (secured, unsecured, convertible and/or other types of available debt instruments).

There were no changes to the Company's capital management policy during the period. The Company is not subject to any externally imposed capital requirements.

## 5. Financial risk management

### (a) Fair value

The Company's financial instruments recognized on the statement of financial position consist of cash, accounts receivable, deposits, accounts payable and accrued liabilities. The fair value of these instruments approximate their carry values due to their short-term maturity.

### (b) Classification of financial instruments

Financial instruments measured at fair value on the statement of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash is measured using level 1 inputs.

The Company has exposure to the following risks from its use of financial instruments: credit, interest rate, currency and liquidity risk. The Company reviews its risk management framework on a quarterly basis and makes adjustments as necessary.

### (c) Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations.

The Company will manage credit risk associated with its cash by maintaining minimum standards of R1-med or A-high investments and the Company will invest only in highly rated Canadian corporations which are capable of prompt liquidation.

### (d) Interest rate risk

Interest rate risk is the risk that the fair values and future cash flows of the Company will fluctuate because of changes in market interest rates. The Company believes that its exposure to interest rate risk is not significant.

### (e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The ability to do so relies on the Company maintaining sufficient cash in excess of anticipated needs. As at March 31, 2022, the Company's liabilities consist of accounts payable and accrued liabilities that have contracted maturities of less than one year.

# NervGen Pharma Corp.

Notes to the condensed consolidated interim financial statements (unaudited)  
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## 5. Financial risk management cont'd

### (f) Currency risk

Currency risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk from employee costs as well as the purchase of goods and services primarily in the United States and Australia and cash balances held in foreign currencies.

Fluctuations in the U.S. or Australian dollar exchange rate could have a significant impact on the Company's results. Assuming all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the U.S. dollar would result in an increase or decrease in loss and comprehensive loss for the three months ended March 31, 2022, of \$42,000 (March 31, 2021 - \$114,000, A 10% depreciation or appreciation of the Canadian dollar against the Australian dollar would result in an increase or decrease in loss and comprehensive loss for the three months ended March 31, 2022, of \$52,000 (March 31, 2021 - \$27,000).

Balances in U.S. dollars are as follows:

	March 31, 2022	December 31, 2021
	\$U.S.	\$U.S.
Cash	242,727	1,008,421
Accounts payable and accrued liabilities	(574,711)	(390,833)
	<b>(331,984)</b>	617,588

Balances in Australian dollars are as follows:

	March 31, 2022	December 31, 2021
	\$AUD	\$AUD
Cash	242,004	226,812
Accounts receivable	64,431	57,723
Vendor deposits	388,432	337,307
Accounts payable and accrued liabilities	(137,008)	(4,593)
	<b>557,860</b>	617,249

## 6. Prepaid expenses

	March 31, 2022	December 31, 2021
	\$	\$
Prepaid insurance	41,358	46,737
Prepaid consulting to Company director (Note 11)	15,750	15,750
Prepaid retainer	6,747	2,523
Prepaid listing fees	39,642	31,201
Prepaid software	16,133	20,369
Vendor deposits	407,709	310,997
	<b>527,339</b>	427,577

# NervGen Pharma Corp.

Notes to the condensed consolidated interim financial statements (unaudited)  
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## 7. Intangible asset

In June 2018, the Company entered into an exclusive worldwide licensing agreement to research, develop and commercialize a patented technology, with Case Western Reserve University (“CWRU”) in Cleveland, Ohio with potential to bring new therapies for spinal cord injury and other conditions associated with nerve damage.

CWRU was issued 439,000 common shares of the Company valued at \$87,800 on closing and a cash payment of \$32,920 (U.S. \$25,000). An additional 162,659 common shares valued at \$81,330 were issued in September 2018.

The license costs are being amortized straight-line over the remaining life of the licensed patent of 15 years. During the three months ended March 31, 2022, the Company recognized amortization of \$10,437 (March 31, 2021 - \$9,555).

Continuity of the intangible asset is as follows:

<b>Intangible Asset – Case Western Reserve license</b>	<b>Total \$</b>
<b>Balance, December 31, 2020</b>	<b>471,388</b>
Milestone acquisition payment	42,336
Amortization expense	<b>(40,572)</b>
<b>Balance, December 31, 2021</b>	<b>473,152</b>
Amortization expense	(10,437)
<b>Balance, March 31, 2022</b>	<b>462,715</b>

Under the exclusive worldwide licensing agreement with CWRU to research, develop and commercialize patented technologies, the Company has commitments to pay various annual license fees, patent costs, milestone payments and royalties on revenues, contingent on the achievement of certain development and regulatory milestones. The future royalties which may be due upon the regulatory approval of products derived from licensed technologies cannot be reasonably estimated.

As at March 31, 2022, the Company is obligated to pay the following:

- An annual minimum royalty of U.S. \$25,000 per year that increases up to a maximum of U.S. \$50,000 per year upon the achievement of certain milestones.
- Project milestone payments based on clinical development estimated to total U.S. \$1,885,000.

## 8. Accounts payable and accrued liabilities

	<b>March 31, 2022 \$</b>	December 31, 2021 \$
Accounts payable	<b>823,856</b>	352,546
Accrued liabilities	<b>161,953</b>	451,471
Amount owing to key management personnel	<b>133,579</b>	274,063
	<b>1,119,388</b>	1,078,080

# NervGen Pharma Corp.

Notes to the condensed consolidated interim financial statements (unaudited)  
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## 9. Share capital

### Authorized

Unlimited common shares.

### Escrowed securities

In connection with the IPO completed on March 13, 2019, an aggregate of 8,425,000 common shares were placed in escrow. Pursuant to the escrow agreements, all escrowed shares have been released as of March 13, 2022.

### Equity Issuances

#### Fiscal 2022

During the three months ended March 31, 2022, 79,969 warrants were exercised for cash proceeds of \$128,333. In addition to the cash proceeds received, the original fair value related to these warrants of \$20,634, were transferred from reserves to share capital.

#### Fiscal 2021

During the three months ended March 31, 2021, 679,930 options were exercised for cash proceeds of \$679,930 and 12,887 warrants were exercised for cash proceeds of \$21,053. In addition to the cash proceeds received, the original fair value related to these options and warrants of \$360,905 and \$2,242 respectively, were transferred from reserves to share capital.

### Calculation of loss per share

Loss per common share is calculated using the weighted average number of common shares outstanding.

For the three months ended March 31, 2022 and 2021 the calculation was as follows:

	<b>Three Months Ended March 31, 2022</b>	Three Months Ended March 31, 2021
Common shares issued and outstanding, beginning of period	<b>46,189,584</b>	35,167,875
Shares issued	<b>79,969</b>	692,817
<b>Common shares issued and outstanding, end of period</b>	<b>46,269,553</b>	35,860,692
<b>Weighted average shares outstanding - basic and diluted, end of period</b>	<b>46,229,176</b>	35,463,422

## 10. Stock options and warrants

### Stock Options:

Stock option transactions for the three months ended March 31, 2022 are set forth below:

	<b>Number of Shares Issuable Under Options</b>	<b>Weighted Average Exercise Price \$</b>
<b>Balance outstanding at December 31, 2020</b>	<b>5,036,325</b>	<b>1.64</b>
Granted	2,706,000	1.87
Exercised	(1,084,930)	1.09
Forfeited/Expired	(259,500)	1.47
<b>Balance outstanding at December 31, 2021</b>	<b>6,397,895</b>	<b>1.83</b>
Granted	376,000	2.06
<b>Balance outstanding at March 31, 2022</b>	<b>6,773,895</b>	<b>1.85</b>

# NervGen Pharma Corp.

Notes to the condensed consolidated interim financial statements (unaudited)  
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## 10. Stock options and warrants cont'd

The following table summarizes information about stock options outstanding at March 31, 2022:

Exercise Price (\$)	Number of Options Outstanding	Number of Options Exercisable	Grant Date	Expiry Date
0.50	284,895	284,895	September 5, 2018	September 5, 2023
1.00	600,000	600,000	January 17, 2019	March 13, 2024
1.54	100,000	100,000	June 1, 2019	June 1, 2022
1.54	180,000	160,000	June 1, 2019	June 1, 2024
1.40	50,000	50,000	July 5, 2019	July 5, 2024
1.49	700,000	700,000	November 26, 2019	November 26, 2029
1.55	30,000	30,000	December 17, 2019	December 17, 2024
3.13	800,000	800,000	February 21, 2020	February 21, 2030
2.99	80,000	80,000	February 24, 2020	February 24, 2030
1.13	262,000	229,250	April 6, 2020	April 6, 2030
2.70	225,000	225,000	June 3, 2020	June 3, 2025
2.70	20,000	15,000	June 3, 2020	June 3, 2030
1.63	60,000	60,000	October 14, 2020	October 14, 2025
1.76	100,000	100,000	October 26, 2020	October 26, 2025
1.85	200,000	200,000	November 6, 2020	November 6, 2025
2.23	150,000	150,000	January 4, 2021	January 4, 2026
2.23	50,000	25,000	January 4, 2021	January 4, 2031
2.12	100,000	100,000	January 12, 2021	January 12, 2026
2.04	80,000	80,000	January 20, 2021	January 20, 2024
1.65	150,000	137,500	April 23, 2021	April 23, 2024
1.65	25,000	18,750	April 23, 2021	April 23, 2026
1.65	306,000	76,500	April 23, 2021	April 23, 2031
1.51	800,000	200,000	May 7, 2021	May 7, 2031
1.75	170,000	110,000	July 16, 2021	July 16, 2024
1.75	25,000	12,500	July 16, 2021	July 16, 2026
2.00	100,000	50,000	July 16, 2021	July 16, 2024
2.10	5,000	2,500	September 13, 2021	September 13, 2024
2.10	550,000	275,000	September 13, 2021	September 13, 2026
2.10	40,000	10,000	September 13, 2021	September 13, 2031
2.38	40,000	-	October 1, 2021	October 1, 2031
2.97	15,000	3,750	November 15, 2021	November 15, 2024
2.97	100,000	-	November 15, 2021	November 15, 2031
2.06	376,000	-	March 1, 2022	March 1, 2032
	<b>6,773,895</b>	<b>4,885,645</b>		

The weighted average remaining contractual life of the options outstanding is 6 years and the weighted average exercise price is \$1.85. The weighted average remaining contractual life of the options exercisable is 5.15 years and the weighted average exercise price is \$1.84.

The fair value of options granted is estimated on the grant date using the Black-Scholes option pricing model using the following variables:

	March 31, 2022	March 31, 2021
Risk-free interest rate	1.81%	0.20-0.43%
Expected option life in years	10 years	3-10 years
Expected stock price volatility	131.03%	90.33-90.78%
Expected forfeiture rate	15%	15%
Dividend yield	-	-

# NervGen Pharma Corp.

Notes to the condensed consolidated interim financial statements (unaudited)  
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## 10. Stock options and warrants cont'd

### Warrants:

Warrant transactions for the three months ended March 31, 2022 are set forth below:

	Number of Shares Issuable Under Warrants	Weighted Average Exercise Price \$
<b>Balance outstanding at December 31, 2020</b>	<b>5,770,385</b>	<b>2.12</b>
Granted	5,149,177	2.59
Exercised	(602,422)	1.99
<b>Balance outstanding at December 31, 2021</b>	<b>10,317,140</b>	<b>2.36</b>
Exercised	(79,969)	1.60
<b>Balance outstanding at March 31, 2022</b>	<b>10,237,171</b>	<b>2.37</b>

The following table summarizes information about warrants outstanding at March 31, 2022:

Exercise Price (\$)	Number of Warrants Outstanding	Grant Date	Expiry Date
1.60	1,565,327	May 20, 2020	May 20, 2022
1.60	12,863	May 20, 2020	May 20, 2022
2.40	3,592,714	August 10, 2020	August 10, 2022
1.75	248,862	August 10, 2020	August 10, 2022
2.10	1,306,875	May 12, 2021	May 12, 2023
1.55	181,353	May 12, 2021	May 12, 2023
2.10	755,817	August 4, 2021	August 4, 2023
2.10	29,400	August 4, 2021	August 4, 2023
3.20	1,840,000	November 12, 2021	November 12, 2023
2.50	257,600	November 12, 2021	November 12, 2023
3.20	446,360	November 29, 2021	November 29, 2023
	<b>10,237,171</b>		

## 11. Key management personnel

Key management personnel, consisting of the Company's Board of Directors and Corporate Officers, received the following compensation for the following periods:

	Three Months Ended March 31, 2022 \$	Three Months Ended March 31, 2021 \$
Stock based compensation	542,540	582,445
Salaries and bonuses	448,014	238,717
Consulting fees	45,000	15,000
	<b>1,035,554</b>	836,162

As at March 31, 2022, the Company had amounts owing or accrued to key management personnel of \$133,579 (December 31, 2021 - \$274,063) pertaining to expense reimbursements, accrued bonuses and accrued vacation.

Prepaid expenses to key management personnel are disclosed in Note 6.

# NervGen Pharma Corp.

Notes to the condensed consolidated interim financial statements (unaudited)  
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## 12. Commitments

In the normal course of business, the Company enters into contracts for the procurement of research and related services. These contracts are typically cancellable by the Company with notice.

## 13. Components of expenses

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
	\$	\$
<b>Research and Development Expenses</b>		
Amortization of intangible asset	10,437	9,555
Preclinical	641,900	92,787
Chemistry, manufacturing and controls	1,478,389	226,030
Licensing and patent legal fees	5,222	58,760
Clinical and regulatory	620,888	151,711
Salaries and benefits	540,466	181,521
Stock-based compensation	277,115	(531)
Other research and development	27,646	26,785
	<b>3,602,063</b>	<b>746,618</b>
	\$	\$
<b>General and Administration Expenses</b>		
Depreciation expense	947	428
Legal, professional and finance	398,811	353,642
Salaries and benefits	377,090	314,208
Stock-based compensation	519,986	776,528
Other general and administrative	105,448	38,753
	<b>1,402,282</b>	<b>1,483,559</b>

## 14. Subsequent events

Subsequent to March 31, 2022 the Company:

1. Granted 300,000 stock options to directors, exercisable at a price of \$2.20 per share for a period of 5 years, vesting periodically over the period of one year.
2. Received cash proceeds of \$1,851,844 from the exercise of 1,157,455 warrants.
3. Entered into a lease agreement for a head office in Vancouver, British Columbia, for 3.83 years, effective May 1, 2022.