**Form 51-102F3**
**MATERIAL CHANGE REPORT**

Item 1. **Name and Address of Reporting Issuer**

NervGen Pharma Corp. ("**NervGen**" or the "**Company**")

Suite 1703, Three Bentall Centre
595 Burrard Street
Vancouver, BC V7X 1J1

Item 2. **Date of Material Changes**

May 20, 2020

Item 3. **News Releases**

A news release announcing the material change was disseminated on May 20, 2020 through Newsfile Corp's distribution network, and a copy was filed on NervGen's SEDAR profile at www.sedar.com.

Item 4. **Summary of Material Changes**

On May 20, 2020, the Company closed a non-brokered private placement of 1,806,827 units of the Company (each, a "**Unit**") at a price of CAD$1.25 per Unit, for aggregate gross proceeds to the Company of CAD$2,258,534 (the "**Private Placement**").

Item 5. **Full Description of Material Changes**

On May 20, 2020, the Company closed its Private Placement of 1,806,827 Units at a price of CAD$1.25 per Unit, for aggregate gross proceeds to the Company of CAD$2,258,534.

Each Unit issued in this Private Placement consisted of one common share in the capital of the Company (a "**Common Share**") and one common share purchase warrant (a "**Warrant**", and together with the Units and Common Shares, the "**Securities**"). Each Warrant is exercisable into one Common Share at a price of CAD$1.60 per Common Share until May 20, 2022. The Warrants are subject to an acceleration clause that allows the Company to accelerate the expiry date of the Warrants if, at any time after six months from the closing date, the trading price of the Common Shares on the TSX Venture Exchange (the "**TSX-V**"), or such other stock exchange in Canada on which a majority of the trading of the Common Shares occurs, equals or exceeds CAD$3.00 for ten (10) consecutive trading days. Under such circumstances, the Company may deliver a written notice (the "**Acceleration Notice**") to the holder of such Warrant within 30 days of such occurrence to accelerate the expiry date of the Warrants, to a date ending at least 30 days following the date of the Acceleration Notice (the "**Acceleration Provision**"). All of the Securities issued pursuant to the Private Placement are subject to a four month and one day hold period in accordance with applicable Canadian securities laws.

The Company intends to use the net proceeds from the Private Placement to fund preclinical studies and for general corporate purposes.

In connection with the Private Placement and in accordance with the policies of the TSX-V, the Company (i) paid certain finders (the "**Finders**") a cash fee totaling CAD$24,806, and (ii) issued the Finders an aggregate of 19,845 common share purchase warrants (the "**Finders' Warrants**"). Each Finders' Warrant is non-transferable and is exercisable into one Common Share at a price of CAD$1.60 per Common Share until May 20, 2022. The Finders' Warrants are subject to the same Acceleration Provision as the Warrants.

Certain directors and officers of the Company (the "**Interested Insiders**"), participated in the Private Placement by purchasing an aggregate of 298,000 Units for aggregate gross proceeds to the Company of CAD$372,500. Accordingly, the Private Placement constitutes a "related-party transaction" under Multilateral Instrument 61-101 - *Protection of Minority Security Holdings in Special Transactions*, which is adopted in TSX-V Policy 5.9 ("**MI 61-101**"). Immediately prior to the closing of the Private Placement, the Interested Insiders collectively held 3,000,000 Common Shares representing approximately 10.18% of the issued and outstanding Common Shares. Immediately following the closing of the Private Placement, the Interested Insiders collectively held 3,298,000 Common Shares representing approximately 10.55% of the issued and outstanding Common Shares. The Private Placement is exempt from the formal valuation and minority shareholder approval under MI 61-101 in reliance on the exemptions set forth in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the securities to be distributed in the Private Placement nor the consideration to be received for those securities, exceeds 25% of the Company's market capitalization.

The Private Placement was approved by the directors of the Company, with the directors having an interest in the transaction declaring their interest and abstaining from voting on the transaction. No materially contrary view was expressed nor was there any material disagreement in the approval process adopted by the directors. Each Interested Insider entered into a subscription agreement with NervGen in respect of the Private Placement containing standard terms for a transaction of this nature and on the same terms and conditions as the other investors in the Private Placement. The Company did not file a material change report more than 21 days before the expected closing of the Private Placement as the details of the Private Placement and the participation therein by Interested Insiders were not settled until shortly prior to closing of the Private Placement and the Company wished to close on an expedited basis for sound business reasons.

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

Not applicable.

## Item 7. **Omitted Information**

No information has been omitted on the basis that it is confidential information.

## Item 8. **Executive Officer**

William Adams, Chief Financial Officer

Suite 1703, Three Bentall Centre
595 Burrard Street
Vancouver, BC V7X 1J1

Item 9. **Date of Report**

May 22, 2020

**Cautionary Note Regarding Forward-Looking Statements:**

*This material change may contain "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and United States securities legislation. Such forward-looking statements and information herein include, but are not limited to, the Company's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements, or any other future events or developments constitute forward-looking statements, and the words "may", "will", "would", "should", "could", "expect", "plan", "intend", "trend", "indication", "anticipate", "believe", "estimate", "predict", "likely" or "potential", or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. Forward-looking statements include, without limitation, statements relating to: our development programs, including the development of NVG-291; the use of the net proceeds from the Private Placement; the Acceleration Provision; the Warrants and Finders' Warrants; and our research for a treatment for Alzheimer's disease and other neurodegenerative applications.*

*Forward-looking statements are based on estimates and assumptions made by the Company in light of management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances. In making forward-looking statements, the Company has relied on various assumptions, including, but not limited to: the Company's ability to manage the effects of the COIVD-19 pandemic; the accuracy of the Company's financial projections; the Company obtaining positive results in its clinical and other trials; the Company obtaining necessary regulatory approvals; and general business, market and economic conditions.*

*Many factors could cause our actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including without limitation, a lack of revenue, insufficient funding, the impact of the COVID-19 pandemic, reliance upon key personnel, the uncertainty of the clinical development process, competition, and other factors set forth in the "Risk Factors" section of the Company's Annual Information Form, financial statements and Management Discussion and Analysis, which can be found on www.sedar.com. All clinical development plans are subject to additional funding.*

*Readers should not place undue reliance on forward-looking statements made in this news release. Furthermore, unless otherwise stated, the forward-looking statements contained in this news release are made as of the date of this news release, and we have no intention and undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.*