No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell those securities.

*The offering of these securities has not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**",) or the applicable securities laws of any state of the United States of America and, subject to certain exceptions, such securities may not be offered, sold or otherwise disposed of, directly or indirectly, in the United States of America, its territories or possessions, any State of the United States of America or the District of Columbia (collectively, the "**United States**") except in transactions exempt from registration under the U.S. Securities Act and under the securities laws of any applicable state. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby in the United States. See "Plan of Distribution".*

PROSPECTUS

Initial Public Offering *February 19, 2019*

NERVGEN PHARMA CORP.

7,000,000 Common Shares for $7,000,000 (Minimum Offering)
10,000,000 Common Shares for $10,000,000 (Maximum Offering)

Price: $1.00 per Common Share

This prospectus ("Prospectus") qualifies an offering (the "Offering") to the public of common shares (the "Offered Shares") of NervGen Pharma Corp. ("NervGen" or the "Company") at a price of $1.00 per Offered Share. The Offering is being made pursuant to the terms of an agency agreement dated February 19, 2019 (the "Agency Agreement") between the Company and Haywood Securities Inc. (the "Agent").

	Price to the Public	Agent's Commission [(1)]	Proceeds to NervGen [(1) (2)]
Per Share	$1.00	$0.07	$0.93
Minimum Offering	$7,000,000	$490,000	$6,510,000
Maximum Offering.....	$10,000,000	$700,000	$9,300,000

(1) The Agent will receive a commission (the "Commission") of 7% of the gross amount raised in the Offering, payable in cash from the proceeds of the sale of the Offered Shares. In addition, the Agent will receive a non-transferable option (the "Agent's Option") to purchase that number of Common Shares (as defined below) as is equal to 7% of the number of Offered Shares sold pursuant to the Offering. The Agent's Option will be exercisable for a period of two years from the date of listing of the Offered Shares on the TSX Venture Exchange (the "Exchange") at a price of $1.00 per share. This Prospectus also qualifies the grant of the Agent's Option. See "Plan of Distribution".

(2) After deducting the Commission but before deducting a corporate finance fee of $40,000 (plus GST) payable to the Agent and the Offering expenses estimated at $160,000.

The price of the Offered Shares was determined by negotiation between the Company and the Agent. The Agent, or registered sub-agents who assist the Agent in the distribution of the Offered Shares offered hereunder, conditionally offers the Offered Shares, subject to prior sale, on a "commercially reasonable efforts" basis, if, as and when issued by the Company and accepted by the Agent in accordance with the conditions contained in the Agency Agreement and subject to the approval of certain legal matters, on behalf of the Company by Northwest Law Group and on behalf of the Agent by Alexander Holburn Beaudin + Lang LLP. Subscriptions for Offered Shares will be payable by certified cheque or bank draft to the Company against delivery of certificates representing the Offered Shares. Subscriptions for Offered Shares will be subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

Completion of the Offering is subject to the sale of at least 7,000,000 Offered Shares on or before 90 days after the issuance of the final receipt for the final prospectus respecting the Offering, unless an amendment to the final prospectus is filed and a receipt for the amendment is issued, in which case the latest date that the distribution is to remain open is 90 days after the date of issuance of a receipt for the amendment, and in any event no later than 180 days from the date of the receipt for the final prospectus. There will be no closing unless a minimum of 7,000,000 Offered Shares are sold.

There is no market through which the securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "Risk Factors". The Exchange has conditionally approved the listing of the Common Shares. The listing is subject to the Company fulfilling all of the listing requirements of the Exchange on or before May 2, 2019, including prescribed distribution and financial requirements.

As at the date of this Prospectus, the Company is an "IPO Venture Issuer" (defined under National Instrument 41-101 – *General Prospectus Requirements* as an issuer that: (a) files a long form prospectus; (b) is not a reporting issuer in any jurisdiction immediately before the date of the final long form prospectus; and (c) at the date of the long form prospectus, does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on (i) the Toronto Stock Exchange, (ii) the Aequitas NEO Exchange Inc.,(iii) a United States marketplace, or (iii) a marketplace outside of Canada and the United States.

The following table sets out the number of securities that may be issued by the Company to the Agent:

Agent's Position	Maximum Number of Common Shares Available	Exercise Period	Exercise Price
Agent's Option [(1)]	700,000 [(2)]	Two years following listing of the Offered Shares on the Exchange	$1.00

(1) On closing, the Agent will be granted the Agent's Option entitling the Agent to purchase that number of Common Shares equal to 7% of the number of Offered Shares sold under the Offering at a price of $1.00 per share for a period of two years following listing of the Offered Shares on the Exchange. This Prospectus also qualifies the issuance of the Agent's Option. See "Plan of Distribution".

(2) This number assumes that the maximum number of Offered Shares available under the Offering is sold so that 7% of the number of Offered Shares sold under the Offering will be available under the Agent's Option. If the minimum number of available Offered Shares is sold under the Offering then the number of Common Shares available to the Agent will be 490,000 Common Shares.

AN INVESTMENT IN THE OFFERED SHARES IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. THE COMPANY IS SUBJECT TO RISKS DUE TO THE NATURE OF THE COMPANY'S BUSINESS AND ITS EARLY STAGE OF DEVELOPMENT. AN INVESTMENT IN THE OFFERED SHARES IS SUITABLE ONLY FOR THOSE PURCHASERS WHO ARE WILLING TO RISK A LOSS OF SOME OR ALL OF THEIR INVESTMENT AND WHO CAN AFFORD TO LOSE SOME OR ALL OF THEIR INVESTMENT. SEE "RISK FACTORS" AND "FORWARD-LOOKING STATEMENTS".

Dr. Ernest S. Wong, a director and officer of the Company, and Dr. Michael J. Abrams, a director of the Company, reside outside of Canada and have appointed NervGen as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

AGENT:

HAYWOOD SECURITIES INC.

TABLE OF CONTENTS

GENERAL MATTERS

About this Prospectus

Prospective purchasers should rely only on the information contained in this Prospectus for the purposes of determining whether to purchase any Offered Shares. Information contained on the Company's website is not part of this Prospectus nor incorporated herein by reference and should not be relied upon by prospective purchasers. The Company and the Agent have not authorized any other person to provide prospective purchasers with different information. If anyone provides prospective purchasers with different or inconsistent information, prospective purchasers should not rely on it. The information in this Prospectus is accurate as of the date hereof. The Company's business, financial condition, results of operations and prospects may have changed since the date hereof but, if changed materially, the Company will have filed an amendment to this Prospectus.

Interpretation

In this Prospectus, unless otherwise indicated or the context otherwise requires, the terms "NervGen" and the "Company" are used to refer to NervGen Pharma Corp.

This Prospectus contains company names, product names, trade names, trademarks and service marks of other organizations, all of which are the property of their respective owners.

Market and Industry Data

This Prospectus contains certain statistical, market and industry data obtained from government or other industry publications and reports, or based on estimates derived from same and management's knowledge of, and experience in, the markets in which the Company operates. Government and industry publications and reports generally indicate that information has been obtained from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information. None of the authors of such publications and reports has provided any form of consultation, advice or counsel regarding any aspect of, or is in any way whatsoever associated with, the Offering. Further, certain of these organizations are participants in, or advisors to participants in, the pharmaceutical industry, and they may present information in a manner that is more favourable to the industry than would be presented by an independent source. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. While the Company believes this data to be reliable, market and industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. Neither the Company nor the Agent has independently verified any of the data from third party sources referred to in this Prospectus or ascertained the underlying assumptions relied upon by such sources. In addition, the Agent has not independently verified any of the industry data prepared by management.

Currency

In this Prospectus, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars. References to "$" are to Canadian dollars and references to "US$" and "U.S. dollars" are to United States dollars.

Forward-Looking Statements

Certain statements in this Prospectus about 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. 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 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 the Company believes are appropriate and reasonable in the circumstances. Many factors could cause the Company's 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, the factors which are discussed in greater detail under the section entitled "Risk Factors". These factors are not intended to represent a complete list of the factors that could affect the Company; however, these factors should be considered carefully by prospective purchasers of Offered Shares.

The purpose of the forward-looking statements is to provide readers with a description of management's expectations regarding, among other things, the Company's financial performance and research and development

plans and may not be appropriate for other purposes. Readers should not place undue reliance on forward-looking statements made in this Prospectus. Furthermore, unless otherwise stated, the forward-looking statements contained in this Prospectus are made as of the date of this Prospectus, and the Company has no intention and undertakes 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 Prospectus are expressly qualified by this cautionary statement.

New factors emerge from time to time, and it is not possible for the Company to predict which factors may arise. In addition, the Company cannot assess the impact of each factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Without limitation, this Prospectus contains forward-looking statements pertaining to the following:

- the Offering, including the Company's use of proceeds therefrom and the expenses thereof;
- the Closing of the Offering and the timing thereof;
- the listing of the Common Shares on the Exchange;
- results from the Company's research and development activities;
- the Company's research and development plans (including the persons expected to oversee, coordinate and participate in such plans), business model, strategic objectives and growth strategy;
- drug regulation;
- initial and subsequent therapeutic indications for the Company's products and the prevalence of such indications;
- the Company's pre-clinical and clinical development plans/trials, including the expected timing, location and duration thereof;
- the Company's drug development pipeline, product potential, product market/profile and size;
- licensing, co-development and partnership plans and objectives;
- the Company's license agreement with Case Western Reserve University, including the payment provisions thereunder;
- the Company's intellectual property;
- the Company's current and future capital requirements and the need for additional financing;
- the continuation of the Company as a going concern;
- the Company's use of unallocated proceeds from the Offering;
- the payment of dividends;
- the Company's expectations regarding net losses and revenue generation;
- the Company's expectations regarding increases in research and development costs and general and administrative expenses;
- escrow requirements;
- corporate governance policies and objectives; and
- executive compensation plans and objectives.

With respect to forward-looking statements contained in this Prospectus, assumptions have been made regarding, among other things:

- future research and development plans for the Company proceeding substantially as currently envisioned;
- expected research and development tax credits;
- future expenditures to be incurred by the Company;
- research and development and operating costs;
- the Company's ability to find partners in the pharmaceutical industry;
- additional sources of funding, including the Company's ability to obtain funding from partners;
- the impact of competition on the Company; and
- the Company being able to obtain financing on acceptable terms.

Presentation of Financial Information

The consolidated financial statements of the Company, included herein, have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless indicated otherwise, financial information contained in this Prospectus has been prepared in accordance with IFRS.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

The Company

The Company's principal business activity is the discovery, development and commercialization of pharmaceutical products for the treatment of nerve damage. Effective June 25, 2018 the Company became the holder of an exclusive world-wide license (the "License") from Case Western Reserve University of Cleveland, Ohio to research, develop and commercialize a patented technology (the "Technology") with potential to bring new therapies for spinal cord injuries and other conditions associated with nerve damage. See "Description and General Development of the Business".

Common Shares Outstanding

As at the date of this Prospectus, there are 17,201,659 Common Shares issued and outstanding.

The Offering

The Company is offering for sale a minimum of 7,000,000 Offered Shares for gross proceeds of $7,000,000 and a maximum of 10,000,000 Offered Shares for gross proceeds of $10,000,000.

The Company will pay the Agent a cash commission equal to 7% of the gross proceeds of the Offering and a corporate finance fee of $40,000 (plus GST), and will issue the Agent's Option to the Agent entitling the Agent to purchase that number of Common Shares equal to 7% of the number of Offered Shares sold in the Offering.

The Company will also pay the Agent's reasonable expenses incurred in connection with the Offering, including legal fees. See "Plan of Distribution".

This Prospectus qualifies: (i) the distribution of the Common Shares and (ii) the distribution of the Agent's Option. See "Plan of Distribution".

Completion of the Offering is subject to the sale of 7,000,000 Offered Shares on or before 90 days after the issuance of the final receipt for the final prospectus respecting the Offering, unless an amendment to the final prospectus is filed and a receipt for the amendment is issued, in which case the latest date that the distribution is to remain open is 90 days after the date of issuance of a receipt for the amendment, and in any event no later than 180 days from the date of the receipt for the final prospectus. There will be no closing unless a minimum of 7,000,000 Offered Shares are sold. See "Plan of Distribution".

Use of Proceeds

The minimum and maximum proceeds from the Offering and the Company's estimated working capital as at December 31, 2018 are as follows:

	Description	Minimum Offering	Maximum Offering
A	Amount to be raised by this Offering	$ 7,000,000	$ 10,000,000
B	Agent's commission and $40,000 corporate finance fee	530,000	740,000
C	Estimated offering costs (legal, accounting & audit)	160,000	160,000
D	**Available funds: D = A - (B + C)**	**6,310,000**	**9,100,000**
E	Additional sources of funding required (available)	-	-
F	Working capital (or deficiency)	2,100,000	2,100,000
G	**Total: G = (D + E) – F**	**$ 8,410,000**	**$ 11,200,000**

The Company intends to use the above available funds as follows:

Purpose	Minimum Offering	Maximum Offering
Pre-clinical development of the Technology	$ 5,202,000	$ 5,202,000
Clinical development of the Technology	1,680,000	1,680,000
General and administrative expenses for 12 months	1,358,000	1,358,000
Unallocated working capital	170,000	2,960,000
Totals	**$ 8,410,000**	**$ 11,200,000**

The Company intends to spend the available funds as stated in this Prospectus. There may be circumstances, however, where, for sound business reasons a reallocation of the funds may be necessary.

Risk Factors

There are certain risk factors inherent in an investment in the Common Shares and in the Company's activities. Prospective purchasers should carefully review the information set out under "Risks and Uncertainties" in the Management Discussion & Analysis included as Appendix "B", and all other information in this prospectus before making an investment.

Risks related to the business include:

- NervGen operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of the Company's control.
- The Company does not expect to generate positive cash flow from operations for the foreseeable future, does not have any sources of product revenue and will not be able to maintain operations and research and development without sufficient funding.
- The Company's lead compound is in the pre-clinical development stage and, as a result, NervGen is unable to predict whether it will be able to profitably commercialize such compound as a product.
- NervGen is at an early stage of development and significant additional investment will be necessary to complete the development of any of its products to approval.
- NervGen's future success is dependent primarily on the regulatory approval of a single product.
- If NervGen breaches any of the agreements under which it licenses rights to product candidates or technology from third parties, it could lose license rights that are important to its business. NervGen's current license agreements may not provide an adequate remedy for breach by the licensor.
- Clinical drug development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results and NervGen's product candidates may not have favourable results in later trials or in the commercial setting.
- If NervGen is unable to enroll subjects in clinical trials, it will be unable to complete these trials on a timely basis.
- NervGen relies and will continue to rely on third parties to plan, conduct and monitor preclinical studies and clinical trials, and their failure to perform as required could cause substantial harm to NervGen's business.
- NervGen relies on contract manufacturers over whom it has limited control. If NervGen is subject to regulatory, quality, cost or delivery issues with the preclinical and clinical grade materials supplied by contract manufacturers, business operations could suffer significant harm.
- NervGen relies on third parties for drug delivery technologies, software, catheters and other components over whom it has limited control. If NervGen is subject to regulatory, quality, cost or delivery issues with materials supplied by third parties, NervGen's clinical trials could be significantly delayed.
- NervGen is highly dependent upon certain key personnel and their loss could adversely affect NervGen's ability to achieve its business objectives.
- NervGen may need to form or seek strategic alliances or collaborations or license additional technologies in the future. Such transactions may increase expenditures; NervGen may be unable to form or enter into such alliances, licenses or collaboration arrangements, and NervGen may not realize the expected benefits of any such transactions.
- If NervGen's competitors develop and market products that are more effective than its existing product candidates or any products that NervGen may develop, or obtain marketing approval before NervGen does,

its products may be rendered obsolete or uncompetitive.

- NervGen will be subject to extensive government regulation that will increase the cost and uncertainty associated with gaining final regulatory approval of its product candidates.
- Negative results from clinical trials or studies of others and adverse safety events involving the targets of NervGen's products may have an adverse impact on future commercialization efforts.
- NervGen faces the risk of product liability claims, which could exceed its insurance coverage and produce recalls, each of which could deplete cash resources.
- NervGen may not achieve its publicly announced milestones according to schedule, or at all.
- Changes in government regulations, although beyond NervGen's control, could have an adverse effect on its business.
- NervGen's discovery and development processes involve use of hazardous and radioactive materials which may result in potential environmental exposure.
- If NervGen is unable to successfully develop companion diagnostics or drug delivery technologies for its therapeutic product candidates, or experience significant delays in doing so, NervGen may not achieve marketing approval or realize the full commercial potential of its therapeutic product candidates.
- Significant disruption in availability of key components for ongoing clinical studies could considerably delay completion of potential clinical trials, product testing and regulatory approval of potential product candidates.
- NervGen's success depends upon its ability to protect its intellectual property and proprietary technology.
- NervGen's potential involvement in intellectual property litigation could negatively affect its business.
- NervGen's reliance on third parties requires it to share its trade secrets, which increases the possibility that a competitor will discover them.
- Product liability claims are an inherent risk of NervGen's business, and if its clinical trial and product liability insurance prove inadequate, product liability claims may harm its business.
- NervGen will have significant additional future capital needs and there are uncertainties as to its ability to raise additional funding.
- Future sales or issuances of equity securities or the conversion of securities to Common Shares could decrease the value of the Common Shares, dilute investors' voting power, and reduce earnings per share.
- NervGen is subject to foreign exchange risk relating to the relative value of the United States dollar.
- Any failure to maintain an effective system of internal controls may result in material misstatements of NervGen's consolidated financial statements or cause it to fail to meet the reporting obligations or fail to prevent fraud; and in that case, shareholders could lose confidence in its financial reporting, which would harm the business and could negatively impact the price of Common Shares.
- Any future profits will likely be used for the continued growth of the business and products and will not be used to pay dividends on the issued and outstanding Common Shares.
- The market for shares in Canada is not stable or predictable and shareholder profits are not in the foreseeable future.
- NervGen may pursue other business opportunities in order to develop its business and products.
- Generally, a litigation risk exists for any company that may compromise its ability to conduct its business.
- NervGen's success depends on its ability to effectively manage its growth.

Risks related to the Offering include:

- volatility of share price;
- the Company's lack of history as a public company;
- no current market through which the Common Shares may be sold;
- the Company's discretion concerning the use of proceeds of the Offering;
- the dilution arising from the issuance of the Offered Shares;
- future sales of Common Shares;
- no history of payment of dividends;
- internal controls over financial reporting;
- the Company's prior losses; and
- no history of earnings or revenue and the Company's ability to secure additional financing and further dilution of the Common Shares.

For a full list and description of these and other risks see "Risks and Uncertainties" in the Management Discussion & Analysis for the period from incorporation on January 19, 2017 to December 31, 2017, included as Appendix "B".

Selected Financial Information

The summary presented below contains selected financial information of the Company that is derived from, and should be read in conjunction with, the audited or reviewed financial statements of the Company and notes thereto, "Consolidated Capitalization" and "Management's Discussion and Analysis" that are included elsewhere in this Prospectus. All of the financial information presented below is prepared in accordance with IFRS.

The following table sets forth summary financial information summarized from the Company's audited financial statements for the period of incorporation on January 19, 2017 to December 31, 2017 and from the reviewed financial statements for the interim nine month period ended September 30, 2018. This summary financial information should only be read in conjunction with the Company's financial statements, including the notes thereto and Management's Discussion and Analysis, attached hereto as Appendix "A" and Appendix "B".

	September 30, 2018 ($)	**December 31, 2017 ($)**
ASSETS		
Current Assets		
Cash	3,121,534	-
Accounts receivable	11,669	- -
Prepaid expenses	35,013	-
	3 168,216	
Non-Current Assets		
Intangible Asset	556,349	-
Deferred acquisition costs	-	83,249
Total Assets	3,724,565	83,249
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	308,907	57,497
Due to related parties	32,462	37,565
	341,369	95,062
Non-Current Liabilities		
Licensing fee	129,407	- -
Total Liabilities	470,776	95,062
Shareholders' Equity (Deficiency)		
Common shares	3,846,630	-
Contributed surplus	9,487	
Accumulated deficit	(602,328)	(11,813)
Total Shareholders' Deficiency	3,253,789	(11,813)
	3,724,565	83,249

	For the Nine Months Ended September 30, 2018 ($)	From Incorporation on January 19, 2017 to December 31, 2017 ($)
GENERAL & ADMINISTRATIVE EXPENSES		
Amortization of intangible asset	10,220	-
Facilities and operations	25,438	3,729
Legal, professional and finance	181,911	8,084
Salaries and benefits	54,013	-
Stock-based compensation	7,567	-
Other general and administrative	18,253	-
RESEARCH & DEVELOPMENT EXPENSES		-
Pre-clinical development	150,064	-
Chemistry, manufacturing and controls	69,647	-
Salaries and benefits	70,561	-
Stock based compensation	1,920	
Other research and development	1,011	
Net loss and comprehensive loss for the period	(590,515)	(11,813)
Basic and diluted net loss per share	(0.12)	(5,907)
Weighted average Common Shares outstanding	4,986,942	2

THE COMPANY

Name, Address and Incorporation

The Company was incorporated under the *Business Corporations Act* (British Columbia) on January 19, 2017 under the name "1104403 B.C. Ltd.". The Company changed its name to "NervGen Pharma Corp." on November 15, 2017.

The Company's head office is located at Suite 1703 – 595 Burrard Street, Vancouver, British Columbia, V7X 1J1 and its registered and records offices are located at Suite 704 – 595 Howe Street, Vancouver, British Columbia, V6C 2T5.

The Company has one wholly owned subsidiary, NervGen US Inc. (the "Subsidiary"), which was incorporated in the State of Delaware on June 11, 2018. The Company does not hold securities in any other corporation, partnership, trust or other corporate entity.

DESCRIPTION AND GENERAL DEVELOPMENT OF THE BUSINESS

Overview of the Company

Nerve damage affects millions of people with enormous healthcare costs and symptoms ranging from loss of sensation to paralysis. Nerve damage can occur from physical trauma, medical procedures and certain diseases including multiple sclerosis, cardiac arrhythmia causing heart attacks, Alzheimer's disease, stroke and other diseases in which the nerves are damaged. Following nerve damage, the body responds with natural protective mechanisms some of which prevent or inhibit regeneration of the nervous system, affecting millions and costing billions of healthcare dollars. There are currently no approved drugs available to regenerate damaged nerves and allow the individual to regain key bodily functions such as movement, bladder and bowel control and sexual function.

NervGen's principal business activity is the discovery, development and commercialization of pharmaceutical products for the treatment of nerve damage, including spinal cord injuries ("SCI") and peripheral nerve injuries ("PNI").

According to data retrieved from the National Spinal Cord Injury Statistical Center[1]:

- Approximately 282,000 Americans are spinal cord injured;
- Approximately 17,000 new injuries occur each year;
- The average lifetime costs for SCI patients, if the age of injury is 25, are: US$ 1,580,148 to US$ 4,729,788, depending on severity of the injury; and
- The average annual direct cost of SCI patients after the first year range from US$ 42,256 to US$ 185,111, depending on severity of the injury.

In the case of PNI, it is estimated that every year approximately 1.4 million people suffer a debilitating peripheral nerve injury in the United States caused by trauma and medical procedures[2]. According to BioMed Research International, approximately 20 million people in the United States are living with after-effects including permanent numbness and loss of sensation, chronic and debilitating pain, partial or full loss of movement, and decreased quality of life.[3] Primary treatments for PNI are surgery and nerve grafts.

The Company is also exploiting its intellectual property and know-how to additional therapeutic candidates for other related medical conditions.

The Company currently has no commercial products or services and no operating revenues. The process of developing a drug and receiving the necessary regulatory approvals to sell a drug typically takes years and no near-term revenues from product sales or services are expected.

[1] https://www.nscisc.uab.edu/Public/Facts%202016.pdf
[2] https://www.axogeninc.com/about-the-nerve-repair-market/
[3] https://www.hindawi.com/journals/bmri/2014/698256

The Company's Lead Compound and License

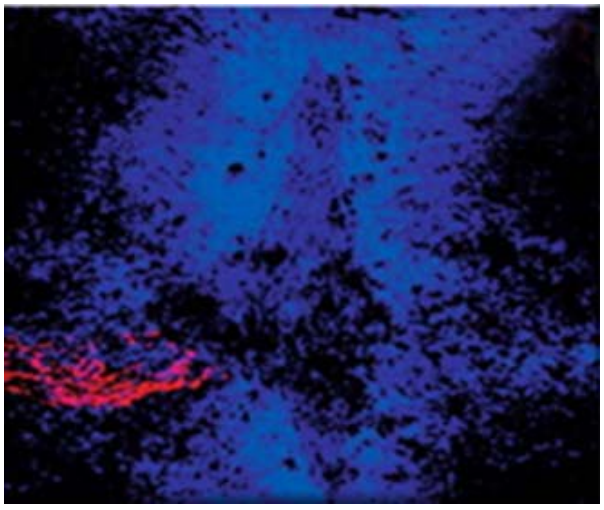
License Overview

On June 25, 2018, NervGen entered into a licensing agreement with Case Western Reserve University of Cleveland, Ohio ("CWRU") granting the License to the Company. The License allows the Company to research, develop and commercialize a patented technology with therapeutic potential for SCI and other conditions associated with nerve damage. The License provides NervGen with an exclusive, world-wide right to use the licensed technology relating to Leukocyte-common Antigen Related ("LAR") Family Function Blocking Peptides in diseases and injuries and applications thereof to research, develop, make, have made, use, dispose and import licensed products for all applications. The License also grants NervGen the right to use, develop and commercialize the Technology for all diseases and medical conditions including but not limited to spinal cord injury, peripheral nerve injury, multiple sclerosis, Alzheimer's disease, stroke and acute myocardial ischemia. Included in the License is United States patent 9,937,242 entitled *Compositions and Methods for Inhibiting the Activity of LAR Family Phosphatases* issued by the United States Patent and Trademark Office as well as its equivalent in other jurisdictions around the world. This patent and its equivalents in other global jurisdictions, is central to the Company's development and commercialization of the Technology. The License also includes other patents and patent applications encompassing claims related to the use of the licensed technology in various diseases such as multiple sclerosis, Alzheimer's disease, stroke and acute myocardial ischemia.

The Technology

The Technology was developed in the laboratory of Dr. Jerry Silver, an SCI and regenerative medicine researcher and professor at CWRU. Dr. Silver's research focused on the glial scar which forms at the site of a nerve injury to begin the healing process and protect the nervous system. Dr. Silver's research showed that the glial scar also impedes nerve regeneration as the chondroitin sulfate proteoglycan ("CSPG") protein within the glial scar binds and keeps the damaged nerves from regenerating.

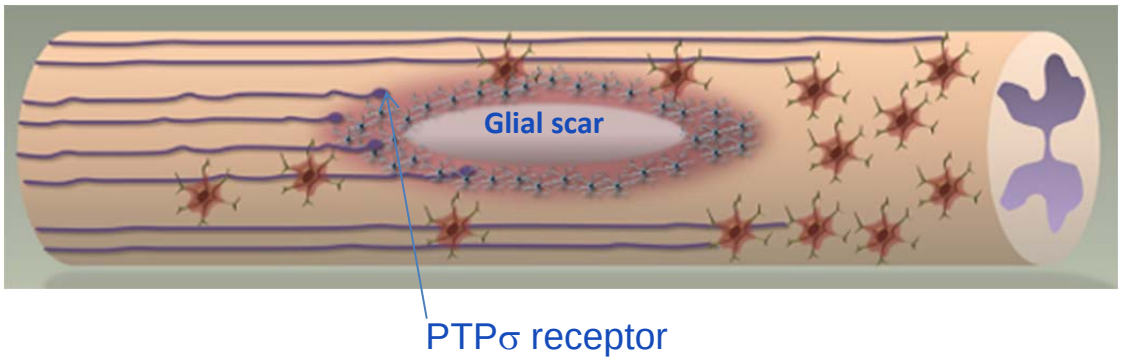
The image below illustrates this by showing a spinal cord lesion where the red dyed spinal cord nerves are trapped in a glial scar by the blue dyed CSPG protein[4].



Dr. Silver, together with scientists at Harvard University, then identified protein tyrosine phosphatase sigma ("PTPσ") as a key neural receptor that binds with the chondroitin sulfate proteoglycan protein and therefore inhibits nerve regeneration through regions of scarring that results from nerve damage (Shen et al, 2009, Science[5]).

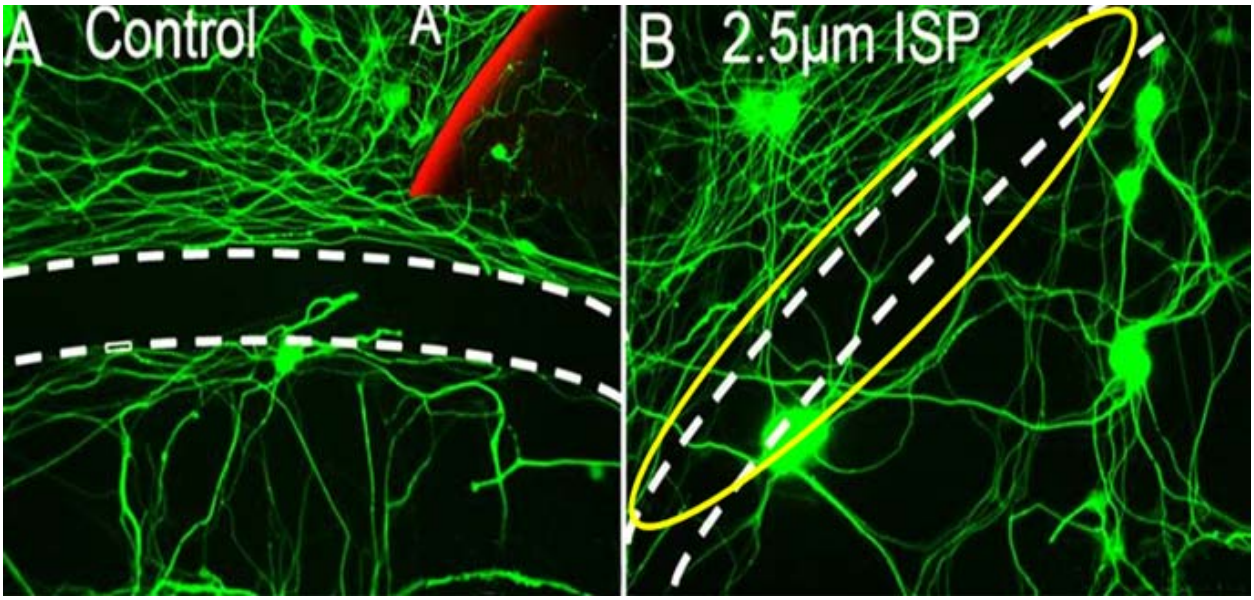
Below is a graphic of an injured spinal cord illustrating how the PTPσ receptor at the end of a neuron binds and locks to the CSPG protein matrix of a glial scar.

[4] Silver J. et al Nature Review Neuroscience 2004 5, 146; Tom, V. J et al J Neuroscience 2004 24 6531
[5] https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2811318/



LAR family phosphatase is within the greater group of PTPσ receptors. Multiple studies with animal models for multiple diseases and medical conditions have shown that treatment targeting PTPσ receptors with a compound developed by Dr. Silver and his research team known as Intracellular Sigma Peptide ("ISP"), promoted regeneration of damaged nerves and improvement in function (Lang et al, 2015, Nature[6]), (Gardner et al, 2015, Nature Communications[7]), (Li, H. , 2015, Scientific Reports[8]), (Rink et al. 2018, Experimental Neurology[9]), and (Luo et al. 2018, Nature Communications[10]).

The images below illustrate this. In the image on the left, the area between the dotted lines has a high concentration of CSPGs and the neurons are stopped from growing across. In the image on the right, many neurons have crossed the CSPG area after the addition of ISP. They no longer 'see' the scar as a barrier and grow right through.



The strong mechanistic data in preclinical animal models, potential for a well-tolerated safety profile, and the opportunity to treat a life threatening, severely debilitating disease with no treatment options, are the basis for the Company's plans to focus its early efforts on SCI. Notable ISP results and attributes from these pre-clinical studies include:

- locomotive recovery with a significant subset of spinal cord injured animals achieving near complete recovery,

[6] Lang, B. T. et al. Nature 2015 Feb 19;518(7539):404-8
[7] https://www.researchgate.net/publication/271708717_Targeting_protein_tyrosine_phosphatase_s_after_myocardial_infarction_restores_cardiac_sympathetic_innervation_and_prevents_arrhythmias
[8] https://www.nature.com/articles/srep14923
[9] https://www.sciencedirect.com/science/article/pii/S0014488618303376?via%3Dihub
[10] https://www.nature.com/articles/s41467-018-06505-6

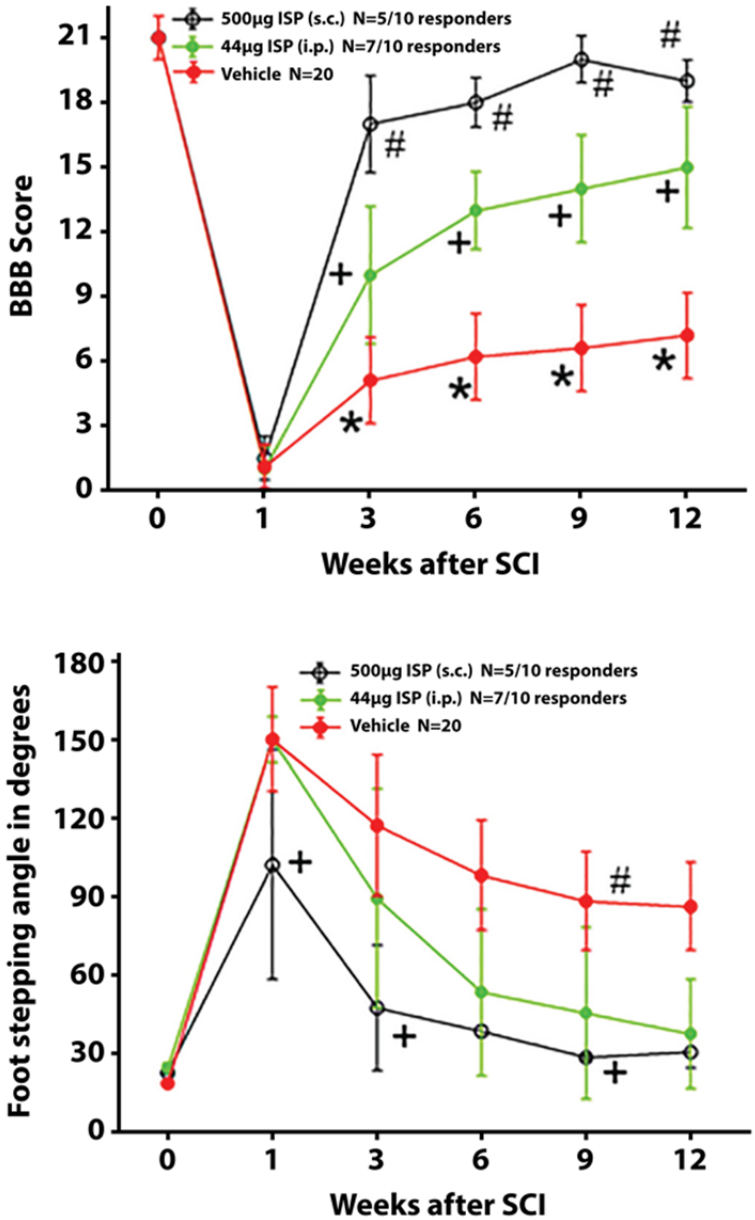
- 100% of spinal cord injured animals experienced partial to complete recovery of bladder function at the higher doses tested,

- results were reproduced in multiple studies, labs and pre-clinical models, including several separate spinal cord injury studies,

- ISP was found to be relatively simple and non-invasive to administer, producing lasting improvement in locomotive and bladder functions after a finite period of daily injections, and

- ISP was administered during an extended window post-injury which could make it relatively easier to conduct clinical trials and which could be potentially applicable to both acute (early) and chronic (long-term) nerve damage patients.

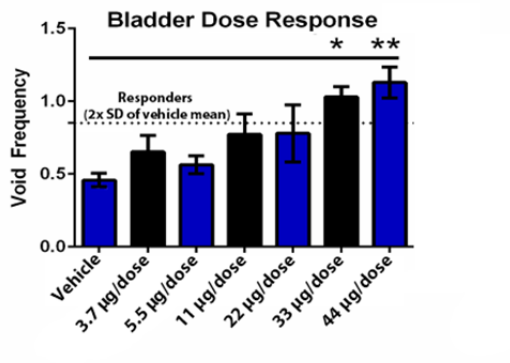
An illustrative sample of the preclinical data collected using the PTPσ inhibitor, ISP is shown below. The results shown in the graphs below were published in Experimental Neurology in 2018[11].



Measurement of Rodent Locomotion (7 weeks of daily treatment) (50 - 70% response rate)

[11] Rink S. et al. Experimental Neurology 2018 309,148-159

The Baso, Beattie, Bresnahan (BBB) rating score and the foot stepping angle (FSA) are objective locomotor measures commonly used to assess locomotor recovery in pre-clinical models. BBB scores of about 21 and FSA of less than 20 degrees were recorded in rodents prior to injury. BBB scores of 1 and FSA of 150 degrees were recorded one week after injury. After seven weeks of daily treatment with ISP, BBB scores of 15-19 and FSA of 30-37 degrees were observed at week 12 after injury. Compared to non-treated rodents, the treated animals had remarkable improvement in BBB scores of 8-12 points and an improvement in FSA of 49-56 degrees at week 12. Equally important is the observed dose-dependent responses with the higher 500 microgram daily dose producing higher improvement in BBB scores and FSA. In the case of the 500 microgram dose, an average BBB score amongst responding animals of 19 was observed at week 12, nearly achieving the pre-injury average BBB score of 21. All improvements in treated animals were statistically significant compared to placebo animals and as well as when results were compared between the two doses. A response rate of 50-70% was observed. It should be noted that even though the treatments were halted on day 49, improvements continued and were persistent to the end of the experiment on day 84.



Recovery of urinary bladder function is a critical issue in the management of paralyzed patients. Eliminating or reducing catheterization may reduce urinary tract infections, hospitalizations, morbidity and healthcare cost. Improvement in bladder function was observed in a dose dependent manner as published in Nature in 2015[12]. In the two highest dose groups, improvements were observed in 100% of the animals. Improvement in bladder function was also observed in the Rink et al study from 2018 in Experimental Neurology, as referenced above.

Application of the Company's technology to PNI, also largely caused by traumas, is a natural extension of the application of PTPσ inhibitors such as ISP beyond SCI. ISP was observed to promote regeneration of damaged nerves and improvement in function after root avulsion in a rodent model[13]. Root avulsion injury is a physical separation of the spinal nerve from the spinal cord which often occurs in violent events such as motor vehicle and sports accidents. In the root avulsion model, the avulsed nerve root consists of a long segment of peripheral nerve and a small fragment of central nervous tissue. In order to restore peripheral motor function after avulsion, the injured neurons must regenerate through inhibitory scar tissue and enter into the peripheral nerve trunk to eventually form synapses with distal target muscles. Treatment with ISP increased the numbers of axons regenerating across scar tissue and enhanced motor functional recovery, indicating that ISP treatment could play a role in regenerating peripheral nerve and improve functional recovery.

Another demonstration of the potential of the technology to treating PNI was observed in a dorsal root injury rodent model[14]. Dorsal root injury commonly results in loss of peripheral sensory function as the peripheral nerve is unable to regenerate and cross the region between the dorsal root and the spinal cord known as the dorsal root entry zone. Treatment with ISP promoted peripheral nerve regeneration across the dorsal root entry zone into the spinal cord resulting in sensory functional recovery.

The potential application of PTPσ inhibitors to treating nerve damage in other diseases and medical conditions were also evaluated in various preclinical models.

ISP was also administered to rodent models of multiple sclerosis by researchers at CWRU and was observed to:

- stimulate the production of oligodendrocyte precursor cells (OPC), a type of cells involved in the process of nerve repair and regeneration,

[12] Lang, B. T. et al. Nature 2015 Feb 19;518(7539):404-8
[13] Li, H. et al. Sci Rep. 2015 Oct 14;5:14923
[14] Yao, M. et al. J Neuropharmacology 2018. 10.035

- allow re-myelination and regeneration of damaged nerves, and
- increase specific proteases that digest and break down the glial scar tissue (CSPGs) that otherwise keep nerves from regenerating[15].

Another published study evaluating ISP in rodents with infarcted hearts showed hearts that were treated with ISP were electrically indistinguishable from normal hearts[16]. ISP was observed to:

- regenerate nerves through a scar after a heart attack, thereby reducing susceptibility to arrhythmia, and
- regenerate sympathetic nerves – effectively eliminating heart-attack induced arrhythmias.

The above results in rodents with infarcted hearts, suggests there is potential for using PTPσ inhibitors in treating sudden cardiac death. Sudden cardiac death is a sudden, unexpected death caused by loss of heart function (sudden cardiac arrest). Sudden cardiac death is the largest cause of natural death in the United States, causing about 325,000 adult deaths in the United States each year. It is estimated that sudden cardiac death is responsible for half of all heart disease deaths[17]

NervGen is advancing a PTPσ inhibitor called NVG-291 toward clinical studies. It is a close analogue of ISP that is structurally similar but different in composition.

Key License Terms and Commitments

Following execution of the licensing agreement, CWRU was issued 439,000 common shares of the Company valued at $87,800 and paid $32,920 (US$ 25,000). An additional 162,659 common shares valued at $81,330 were issued to CWRU on September 13, 2018. Pursuant to the licensing agreement, CWRU has a pre-emptive right to maintain its percentage ownership and participate in any further financings on the same terms as other investors until the Company completes the Offering.

As at the date of this Prospectus, the Company has commitments to pay various annual license fees, patent costs, and milestone payments related to the License in United States dollars as follows:

	U.S. Dollar Payments Projected by Period				
Contractual obligations	**Under 1 year (US$)**	**1 - 3 years (US$)**	**4 - 5 years (US$)**	**After 5 years (US$)**	**Total (US$)**
Patent licensing costs, milestone payments, and minimum annual royalties per license agreements	44,241[(1)]	258,482 [(2)]	1,300,000	525,000	2,127,723

Notes:

(1) As at December 31, 2018, US$ 44,241 was included in accounts payable.
(2) As at December 31, 2018, US$ 98,482 was included in accounts payable and accrued liabilities.

The Company cannot reasonably estimate the future royalties that may be due upon the regulatory approval of products derived from licensed technologies.

The License has a term which expires on the latest to occur of the expiration date of the last-to-expire valid claim of any related patent, the end of the last-to-expire market exclusivity period for any licensed product or June 25, 2038.

The Company is required to meet certain milestones under the License and has the option to extend the date of any such milestone obligation for up to two periods of six months each upon the payment of certain prescribed fees. Should the Company elect not to extend the obligation or fail to meet the extended obligation date, then CWRU has the right to either terminate the License or convert the License into a non-exclusive license. The License includes a multi-step dispute resolution process including right to arbitration to be conducted in Chicago, IL, in accordance with the then current Licensing Agreement Rules of the American Arbitration Association.

The Company is required to give a right of first preference to CWRU in respect of any clinical studies arising from any licensed products under the License.

[15] Luo F. et al. Nature Comm. 2018 9, 4126
[16] Gardner, R. T. et al. Nature Communications 2015 Feb 2;6:6235
[17] https://my.clevelandclinic.org/health/diseases/17522-sudden-cardiac-death-sudden-cardiac-arrest

If the License is terminated prior to a change of control of the Company, then, from the date of termination until such date of a change of control, CWRU will be granted an internal, fully paid up, perpetual, non-exclusive license to use any patents forming part of the licensed Technology for research or educational purposes.

Development Plan

NervGen is advancing its lead compound NVG-291 toward clinical studies for the treatment of SCI in patients whose injuries are six months old or less. . NervGen believes this indication is a significant opportunity due to the current lack of non-surgical solutions in the market, the dramatic impact on quality of life and the high cost burden to the healthcare system.

NervGen believes that NVG-291 may also qualify for United States Food and Drug Administration ("FDA") "Orphan Drug and Fast Track" status which could reduce regulatory time to approval and provide for preferential support through clinical development[18]. The Orphan Drug Designation Program provides "orphan" status to drugs and biologics intended for the safe and effective treatment, diagnosis or prevention of rare diseases and disorders that affect fewer than 200,000 people in the United States. According to data retrieved from the National Spinal Cord Injury Statistical Center[19] , approximately 17,000 new SCI occur each year which would place the number of SCI patients whose injuries are six months old or less below the 200,000 threshold for orphan drug designation.

Also as described on the FDA's website, Fast Track is a process designed to facilitate the development, and expedite the review of drugs to treat serious conditions and fill an unmet medical need[20]. Management believes application of NVG-291 for acute SCI would qualify as current therapy for spinal cord injury focuses on preventing further injury and empowering SCI patients to live with injury as actively and productively as possible. There are no approved drugs available to regenerate damaged nerves.

NervGen also intends to leverage the Technology to identify additional compounds for other related medical conditions.

NervGen plans to conduct a clinical trial for NVG-291 beginning in 2020 under an Investigational New Drug ("IND") application with the FDA. Although NVG-291 is a new molecular entity that has never been tested in human clinical trials, based on its potential to treat a life threatening severely debilitating disease with no treatment options, management believes that it may be eligible for a more aggressive clinical development plan. As such, the Company is planning that the initial clinical trial be expanded from a traditional safety focused Phase 1 study conducted on healthy human volunteers to also include some SCI patients which may give the Company some preliminary indications of NVG-291's activity in a patient population. The Company is planning that the trial will be an open-label, ascending dose study to evaluate the safety and pharmacokinetics of various dose levels of NVG-291. The data from that clinical trial is expected to be used to support discussions and applications with the FDA as well as other regulatory agencies such as the European Medicines Agency ("EMA").

The Company intends to complete required pre-clinical non-human studies, and in 2019, plans to meet with the FDA in a pre-IND meeting to review its plans to submit an IND application and initiate clinical development of NVG-291. The Company plans to conduct remaining non-clinical toxicity studies and other required pre-clinical studies using one or more contract research organizations ("CROs") which are companies that provide outsource support to the pharmaceutical industry in the form of contracted research services.

NVG-291 is expected to be manufactured using well established peptide synthesis procedures by an approved contract manufacturing organization ("CMO") and the Company plans to have a secondary source available. NVG-291 is a linear peptide comprised of common amino acids and has been produced previously in small quantities for research studies. Materials to be used in clinical trials will be manufactured by an approved CMO under Current Good Manufacturing Practices regulations enforced by the FDA. Several research batches of peptide-based PTPσ inhibitors have been successfully manufactured.

[18] https://www.fda.gov/forpatients/approvals/fast/default.htm, https://www.fda.gov/aboutfda/centersoffices/officeofmedicalproductsandtobacco/officeofscienceandhealthcoordination/ucm2018190.htm

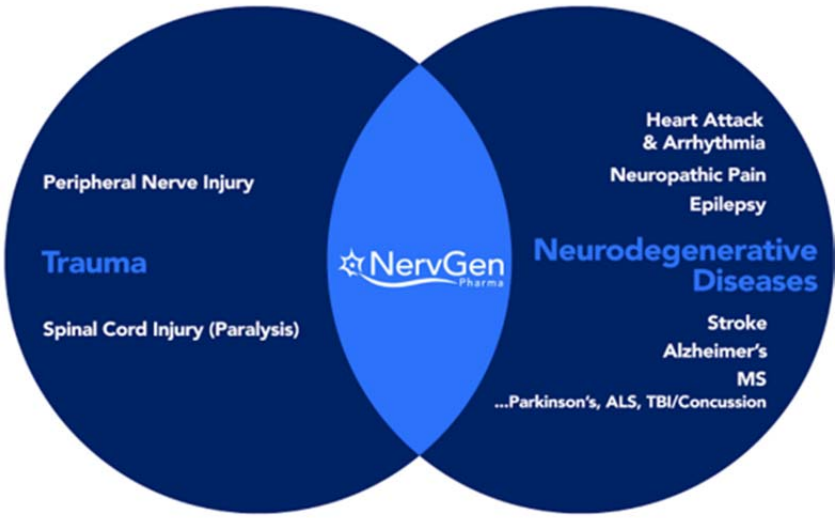
[19] https://www.nscisc.uab.edu/public/facts%202016.pdf

[20] https://www.fda.gov/forpatients/approvals/fast/default.htm

Future Plans

The Company plans to work in co-operation with other parties including academic institutions, contract laboratories and not-for-profit foundations to conduct additional research to further the development of NVG-291 and the advancement of the Technology.

The Company plans to continue researching secondary applications to SCI. These include: peripheral nerve injury, acute myocardial infarction ("AMI", commonly known as a heart attack), multiple sclerosis, stroke and Alzheimer's disease.



Additional areas of focus for the Company include strategically building the intellectual property portfolio, and developing business partnerships with potential sub licensees, marketing partners and strategic partners.

Trends and Uncertainties

There are significant uncertainties regarding the regulatory approval, reimbursement and prices of future drugs and the availability of financing for the purposes of pharmaceutical development. In addition, there is significant uncertainty in the Canadian – United States foreign exchange rate which presents a risk in that the Company is raising the majority of its funds in Canadian dollars and expects to be spending the funds largely in U.S. dollars. Apart from those risks, and the risk factors noted under the heading "Risk Factors", NervGen is not aware of any other trends, commitments, events or uncertainties that would have a material adverse effect on NervGen's business, financial condition or results of operations.

Competitive Conditions

As reported by organizations searching for cures for paralysis, such as the Rick Hansen Institute, the United States National Institute of Health (NIH) and the National Institute of Neurological Disorders and Stroke, there is no known cure for the loss of nerve tissue associated with a spinal cord injury and are no known ways to reverse damage to the spinal cord[21,2]. Current therapy for spinal cord injury focuses on preventing further injury and empowering SCI patients to live with injury as actively and productively as possible. Although there are no approved drugs available to regenerate damaged nerves and that allow the individual to regain key bodily functions such as movement, bladder control, bowel control and sexual function, many companies are attempting to develop solutions for SCI and other types of nerve damage.

The Company categorizes therapies currently under development as:

- Neuro protective drugs that attempt to protect the damaged nerves creating improved conditions for the nerves to heal. These often require intervention immediately or very soon after injury. They do not regenerate nerves and so are generally not considered competitive and in many cases could be complementary to NVG-291.

[21] https://www.ninds.nih.gov/Disorders/All-Disorders/Spinal-Cord-Injury-Information-Page
https://www.nichd.nih.gov/health/topics/spinalinjury/conditioninfo/treatments;
https://www.nichd.nih.gov/health/topics/spinalinjury/conditioninfo/faqs#cure

- Cellular therapies: The Rick Hansen Institute has stated that the use of transplantation cellular therapies (such as stem cells and Schwann cells) has generated interest for their potential to promote neuro-regeneration and restoration of function in both chronic and acute SCI. However, cost, manufacturing and regulatory hurdles along with safety concerns make the clinical translation of this technology extremely challenging. Current clinical trials in this area are largely focused on determining safety and clinical feasibility of this technology[22].

- Regenerative drugs like NVG-291, which act to regenerate or regrow the nerves and offer a potentially revolutionary treatment for SCI and other nerve damage. Management believes such a drug offers the greatest potential to affect paralysis and other ailments related to SCI, and could be used in combination with cellular therapies or neuro protective drugs that may be approved, alongside NVG-291 in the future.

Surgical solutions by companies like AxoGen Inc.[23] (focused on peripheral nerve injuries) to reconnect nerves are also considered to be potentially complementary to NVG-291 in that the application of NVG-291 may further assist in healing nerves following surgery,

Companies known to be working on drugs to treat damaged nerves include:

- AbbVie Inc. (NYSE: ABBV), a pharmaceutical development and commercialization company, is currently developing a drug candidate ABT-555 for neuroprotection and neuroregeneration in patients suffering with nervous system conditions. In 2018, it completed Phase 1 clinical trials for multiple sclerosis with ABT-555, a monoclonal antibody RGMa inhibitor[24] (RGMa is a member of the repulsive guidance molecule (RGM) family that performs several functions in the developing and adult nervous system).

- Asterias Biotherapeutics, Inc. (NYSE American: AST), a subsidiary of BioTime, is a biotechnology company focused on cell therapy and regenerative medicine. Its drug candidate AST-OPC1, under development for spinal cord injuries[25] is comprised of oligodendrocyte progenitor cells manufactured from its stem cell platform[26]. It states, "The clinical program is testing the utility of AST-OPC1 in spinal cord injury patients. A large body of preclinical studies has demonstrated the safety and efficacy of AST-OPC1 in models of thoracic (back) and cervical (neck) spinal cord injury. These potential indications are currently being evaluated through preclinical studies[27]."

- Neuralstem, Inc. (NASDAQ: CUR) is a clinical stage biopharmaceutical company developing a cellular therapy called NSI-566 which it claims is in various stages of clinical trials for multiple applications including the treatment of Amyotrophic Lateral Sclerosis (ALS), complete chronic spinal cord injury (cSCI; AIS-A) and ischemic stroke. It states that its stem cell technology will assist the body in producing new cells to replace malfunctioning or dead cells to treat disease and injury[28]. It states that NSI-566 is in a Phase 1 trial to test the safety and feasibility of this possibility[29].

- InVivo Therapeutics Holdings Corp. (NASDAQ: NVIV)[30], ReNetX Bio, Inc.[31], and Fortuna Fix Inc.[32] are also in the early stages of developing potentially competitive solutions to NervGen's, as are various academic collaborations. Due to the early nature of these technologies, it is difficult for Management to ascertain the competitive or complementary nature of these technologies against NVG-291.

---

[22] http://rickhanseninstitute.org/images/stories/Article_PDFs/Cure_roadmapJan2014.pdf
[23] https://www.axogeninc.com/
[24] https://www.abbvie.com/our-science/pipeline/abt-555.html
[25] http://asteriasbiotherapeutics.com/AST-OPC1.php
[26] https://www.sciencedirect.com/science/article/pii/S1045105617301203
[27] http://asteriasbiotherapeutics.com/AST-OPC1.php
[28] https://www.neuralstem.com/pipeline/ns-566
[29] https://www.neuralstem.com/pipeline/ns-566
[30] http://www.invivotherapeutics.com/press-releases/invivo-therapeutics-announces-publication-of-neuro-spinal-scaffold-preclinical-data-in-peer-reviewed-journal-biomaterials/ http://www.invivotherapeutics.com/press-releases/invivo-therapeutics-announces-publication-of-neuro-spinal-scaffold-preclinical-data-in-peer-reviewed-journal-biomaterials/
[31] https://www.renetx.com/about.html
[32] https://www.fortunafix.com/

Management also believes that some of these technologies may prove to be complementary to NVG-291 and any one or more of these companies may also be potential strategic partners or collaborators.

Management is aware of potential non-pharmacological therapies for SCI being researched and developed such as electrical stimulation with implanted medical devices. However, management is not aware of any large scale clinical trials having been completed, primarily due to the invasive nature of device implantation and the high financial cost and intense rehabilitation therapy that accompanies the use of such devices. Management also believes that drug and device companies are fundamentally different businesses with different risk profiles and commercial propositions.

Management, with its advisors, has periodically reviewed technologies that could potentially be competitive or complementary to NVG-291 considering various factors it believes are of greatest importance in the market place. These factors include: strength and consistency of effect, the time window after injury during which the drug is effective, and the degree of invasiveness associated with the drug's administration. Based on its studies to date, the Company's management believes that the potential utility of NVG-291 days or even weeks after initial spinal cord injury and systemic injection of NVG-291 outside of surgery would offer clear advantages over other investigational drugs that require administration within 24, 48 or 72 hours after injury often in a surgical setting. The expected relatively low cost and ease of manufacture of NVG-291 are expected to be advantages over cellular therapies. Additionally, there are also safety concerns that are more common to cellular therapies versus traditional pharmaceutical products like NVG-291. Based on its information, management believes NervGen's PTPσ nerve regeneration technology, if successfully developed and commercialized, has the potential to provide a highly competitive therapeutic solution for spinal cord injury and potentially other forms of nerve damage.

In June 2018, the Company conducted a search of the GlobalData Healthcare database[33] for drug therapies for SCI. The search confirmed that drugs currently marketed for SCI are used for alleviating symptoms such as pain, spasm and inflammation. Management believes that the drug candidates summarized above represent the ones that are most likely to be competitive to NVG-291.

In September 2018, a CRO that specializes in the central nervous system, including development and clinical trials of spinal cord injury solutions, provided NervGen with a gap analysis and strategy report for the development of ISP for use in the treatment of SCI. The report included search results from the ClinicalTrials.gov website database of privately and publicly funded clinical studies conducted around the world, for clinical trials for SCI[34]. The search results from the ClinicalTrials.gov website database supported the GlobalData search and management's identification of those products most potentially competitive to NVG-291 as summarized above.

Competitors in this industry are also competing for available investment funds, recruitment of qualified personnel, facilities and equipment. As noted, some of the Company's competitors are much larger companies with significantly greater resources. See "Risk Factors."

Government Regulation

The Company's operations and activities in Canada and the United States are subject to various federal, provincial, state and local laws and regulations which govern pharmaceutical development, exports, taxes, labor standards, occupational health, waste disposal, protection of the environment, safety, hazardous substances and other matters.

The majority of development activities in the next two years will occur in government certified contract organization facilities In addition, the Company believes that it is, and will continue to be, in compliance in all material respects with applicable statutes and the regulations passed, and related to its operations, in Canada and the United States. To the Company's knowledge, there are no current orders or directions relating to the Company with respect to the foregoing laws and regulations.

Environmental Regulation

The Company's policy is to conduct its business in a way that safeguards public health and the environment. The Company believes that its operations are conducted in material compliance with applicable environmental laws and regulations. Since most of the Company's development activities are outsourced, management believes its exposure to environmental risk is low.

[33] https://www.globaldata.com/healthcare/ GlobalData claims its coverage is unrivalled in its depth and geographic scope.
[34] https://clinicaltrials.gov/

Employees and Consultants

NervGen has assembled an experienced team of biotech executives and startup and finance professionals to manage its launch and development. As of December 31, 2017, the Company had two executives, William J. Radvak (Chief Executive Officer) and Robert G. Pilz (Chief Financial Officer), both of whom were engaged pursuant to consulting services agreements. In June 2018, the Company hired Dr. Ernest Wong, a pharmaceutical industry executive with the necessary skills to carry out the Company's programs, as CEO in place of Mr. Radvak. At that time, Mr. Radvak became the Chairman of the Board, a position in which his contacts within the financial services industry and skills in raising financing would be best utilized.

Dr. Wong has over 20 years of experience in the pharmaceutical and biotechnology industries. Prior to joining NervGen, Dr. Wong was the Vice President, Corporate Development of Accera, Inc., a Nestle Health Science backed clinical stage biotechnology company that develops therapies for central nervous system disorders. Prior to Accera, Dr. Wong was VP Business Development at Agenus Inc. and before that the Head of Business Development and Licensing at Piramal Imaging Limited where he successfully completed a number of high-value strategic transactions as part of the commercial launch of a neuroimaging agent. Prior to Piramal Imaging, he led the corporate development function at YM Biosciences where he executed a partnering campaign for a phase 2/3 product that resulted in the acquisition of the company by Gilead Sciences, Inc. for over US$ 500 million in 2013. His experience also includes executing business development transactions, managing partnerships and global clinical programs at OSI Pharmaceuticals, Inc. and AnorMED Inc.

Mr. Radvak is a co-founder of NervGen and has been the CEO and director of multiple start-up companies. He was a founder and the CEO of Response Biomedical, a publicly listed medical device company, which he led from its inception to a 90-employee, sales and manufacturing company. Since 2010, Mr. Radvak has been the President and CEO of Monitor Ventures Inc. and since 2007 he has been the President and CEO of Regency Gold Corp.

Mr. Pilz has held CFO and VP Finance positions in three early stage companies including: In Motion Technology Inc. in 2011 and 2012; Class Software Solutions Ltd. in 2003 and 2004, and a total of six years, during two separate periods in 2000 through 2008, as CFO of Response Biomedical a then publicly listed medical device company. During his tenure at Response Biomedical, multiple products were developed and commercialized. His direct functional experience spans strategic and operational planning, corporate finance, mergers and acquisitions, partnering, audit, accounting, performance management, and project management.

In August 2018, the Company hired a project manager and controller as well as engaged additional consultants in specialized areas of drug development.

Management of the Company is supported by a Scientific Advisory Board comprising:

- Dr. Jerry Silver, co-inventor of the Company's Technology and Professor in the Department of Neurosciences at the Case Western Reserve University, School of Medicine. Dr. Silver is the lead or senior author on more than 170 publications as well as the inventor of more than five patents and patent applications[35].

- Dr. Bradley Lang, co-inventor and Executive-in-Residence at BioEnterprise a biotechnology incubator.

- Dr. Marta Hamilton, a veteran in drug development with expertise in pharmacokinetics, biomarkers, preclinical and clinical study design, as well as experience with multiple IND and new drug applications, gained from leadership and technical positions at Eli Lilly, Amgen, NeXstar Pharmaceuticals and Gilead Sciences, serving most recently as Vice President, Preclinical Development and Clinical Pharmacology at OSI Pharmaceuticals.

- Dr. Brian Kwon, Canada Research Chair in Spinal Cord Injury; Professor, Department of Orthopedics, Faculty of Medicine, University of British Columbia; Spine Surgeon, Vancouver Spine Program, Vancouver General Hospital Associate Director, Clinical Research; ICORD Director, Vancouver Spine Research Program.

For more details regarding the background of the Company's executives see "Directors and Executive Officers" below.

[35] https://cwru.pure.elsevier.com/en/persons/jerry-silver/publications/

Facilities

The Company's head office is located in Vancouver, Canada where it rents an office on a monthly basis. The nature of the space is immaterial to the Company's operations as operating activities related to the NVG-291 program are primarily outsourced to contractors.

USE OF PROCEEDS

The minimum and maximum proceeds from the Offering and the Company's estimated working capital as at December 31, 2018 are as follows:

	Description	Minimum Offering	Maximum Offering
A	Amount to be raised by this Offering	$ 7,000,000	$ 10,000,000
B	Agent's commission and $40,000 corporate finance fee	530,000	740,000
C	Estimated offering costs (legal, accounting & audit)	160,000	160,000
D	**Available funds: D = A - (B + C)**	**6,310,000**	**9,100,000**
E	Additional sources of funding required (available)	-	-
F	Working capital (or deficiency)	2,100,000	2,100,000
G	**Total: G = (D + E) – F**	**$ 8,410,000**	**$ 11,200,000**

The Company intends to use the above available funds as follows:

Purpose	Minimum Offering	Maximum Offering
Pre-clinical development of the Technology	$ 5,202,000	$ 5,202,000
Clinical development of the Technology	1,680,000	1,680,000
General and administrative expenses for 12 months	1,358,000	1,358,000
Unallocated working capital	170,000	2,960,000
Totals	**$ 8,410,000**	**$ 11,200,000**

The Company's general and administrative expenses for the next 12 months are estimated to be as follows:

Purpose	Monthly Average	12 Months
Personnel	$ 66,833	$ 802,000
Investor relations, transfer agent, filing fees and conferences	18,667	224,000
Other professional, legal and audit	12,750	153,000
General office, insurance and other	14,917	179,000
	$ 113,167	**$ 1,358,000**

Upon completion of the Minimum Offering, the Company's working capital available to fund ongoing operations is expected to be sufficient to meet administrative costs and technology development expenditures for at least 12 months. An estimated $846,000 in the 12 month period is to related parties including approximately $6,000 for office rent and supplies to Earlston Management Corp., of which NervGen director, Brian Bayley, is the President and a director. The remainder is for salaries, benefits, fees and performance bonuses to Ernest Wong, CEO, William Radvak, Executive Chairman and a consulting company owned by Robert Pilz, CFO and Secretary, consistent with their compensation as described in the "Executive Compensation" section of this prospectus. No other related party payments are contemplated. Short-term non-discretionary expenditures include salaries and consulting fees to officers and employees (See "Executive Compensation"), fees to CWRU (See "Description and General Development of the Business – The Company's Lead Compound and License" – Contractual Obligations), and contracted fees to CROs for studies and CMOs for manufacturing activities underway totalling approximately $248,000 as at September 30, 2018. The Company's unallocated working capital and funds raised above the Minimum Offering amount will be available for further development of the Technology and research on secondary applications, if such work is warranted based on results from the research and development programs currently

planned. If not required for further work on the Technology, those funds will be available for acquisition, and research and development of other technologies.

The primary objective is to complete pre-clinical development of NVG-291 by the end of calendar 2019 and prepare for clinical trials at a direct external cost of approximately $5.1 million. Added to estimated $1.8 million in internal pre-clinical development costs, $1.4 million in general and administrative costs and $0.3 million in unallocated working capital totals to $8.6 million total use of proceeds and estimated working capital.

The major components of the $5.1 million in direct external development costs are related to the following planned business objectives:

(1) Complete development of NVG-291 involving:
   (a) completing outsourced pre-clinical animal studies at an estimated cost of $1,747,000,
   (b) contracting manufacturer producing higher scale non-GMP (the FDA's "Good Manufacturing Practice") batches of NVG-291 to be completed in the first quarter of 2019 funded with currently available funds and an additional estimated $1,470,000 from the minimum Offering,
   (c) contracting manufacturer producing GMP batches of NVG-291 in the second quarter of 2019 at an estimated cost of $1,630,000, and
   (d) beginning stability studies at an estimated cost of approximately $50,000 in the third quarter of 2019;

(2) submit its IND application with the FDA by the end of calendar 2019 at an estimated cost of $180,000 involving
   (a) pre-IND meeting with the FDA in the second quarter of 2019,
   (b) IND submission in the third quarter of 2019, and
   (c) IND approval from the FDA in fourth quarter of 2019; and

(3) prepare (at an estimated cost of approximately $40,000) to conduct a hybrid study on healthy humans and spinal cord injury patients forecast to begin in early 2020, involving:
   (a) contracting the clinical CRO in the second quarter of 2019,
   (b) developing and writing the clinical trial protocol in the second and third quarters of 2019, and
   (c) applying for clinical trial site grants in the fourth quarter of 2019 for enrollment of healthy volunteer patients beginning in the fourth quarter of 2019 and planned to occur if Maximum Offering funds are raised.

The Company is planning that the above activities will be conducted by CROs and estimated costs are the incremental outsourced costs (managed by management and staff of the Company) included in the non-discretionary expenditures noted above. Ongoing objectives as part of the Company's normal course of business include working in co-operation with other parties such as academic institutions and foundations to compliment SCI development efforts; continued researching secondary applications to SCI (budgeted at $230,000 for the 12 months ended December 31, 2019); developing business relationships with potential sub-licensees, marketing partners and strategic partners; and strategically building the Company's intellectual property portfolio (budgeted at $150,000 for the 12 months ended December 31, 2019).

The Company has had negative cash flow from its operating activities since its incorporation and expects to continue to have negative cash flow from its operating activities in the foreseeable future. The Company's principal source of funds since incorporation has been from the sale of equity capital and the Company expects that equity capital will continue to be its principal source of funds in the future. See "Risk Factors" for further disclosure of the risk of negative cash flow from its operating activities.

SELECTED FINANCIAL INFORMATION

The summary presented below contains selected financial information of the Company that is derived from, and should be read in conjunction with, the audited or reviewed financial statements of the Company and notes thereto, "Consolidated Capitalization" and "Management's Discussion and Analysis" that are included elsewhere in this Prospectus. All of the financial information presented below is prepared in accordance with IFRS.

The following table sets forth summary financial information summarized from the Company's audited financial statements for the period of incorporation on January 19, 2017 to December 31, 2017 and from the reviewed financial statements for the interim nine month period ended September 30, 2018. This summary financial

information should only be read in conjunction with the Company's financial statements, including the notes thereto and Management's Discussion and Analysis, attached hereto as Appendix "A" and Appendix "B".

	September 30, 2018 ($)	December 31, 2017 ($)
ASSETS		
Current Assets		
Cash	3,121,534	-
Accounts receivable	11,669	- -
Prepaids	35,013	-
	3 168,216	
Non-Current Assets		
Intangible Asset	556,349	-
Deferred acquisition costs	-	83,249
Total Assets	3,724,565	83,249
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	308,907	57,497
Due to related parties	32,462	37,565
	341,369	95,062
Non-Current Liabilities		
Licensing fee	129,407	- -
Total Liabilities	470,776	95,062
Shareholders' Equity (Deficiency)		
Common Shares	3,846,630	-
Contributed Surplus	9,487	
Accumulated deficit	(602,328)	(11,813)
Total Shareholders' Deficiency	3,253,789	(11,813)
	3,724,565	83,249

	For the Nine Months Ended September 30, 2018 ($)	From Incorporation on January 19, 2017 to December 31, 2017 ($)
GENERAL & ADMINISTRATIVE EXPENSES		
Amortization of intangible asset	10,220	-
Facilities and operations	25,438	3,729
Legal, professional and finance	181,911	8,084
Salaries and benefits	54,013	-
Stock-based compensation	7,567	-
Other general and administrative	18,253	-
RESEARCH & DEVELOPMENT EXPENSES		
Pre-clinical development	150,064	-
Chemistry, manufacturing and controls	69,647	-
Salaries and benefits	70,561	-
Stock based compensation	1,920	-
Other research and development	1,011	-
Net loss and comprehensive loss for the period	(590,515)	(11,813)
Basic and diluted net loss per share	(0.12)	(5,907)
Weighted average Common Shares outstanding	4,986,942	2

General and Administrative expenses and Research and Development expenses for the nine months ended September 30, 2018 were $297,312, and $293,203, respectively. Since executing the license agreement with CWRU,

the Company has initiated manufacturing of NVG-291 and related peptides at contract manufacturing organizations. It has also entered into contracts with contract research organizations in preparation for the start of preclinical studies. Consultants and employees have been hired to develop and execute the development plan as described in "Development Plan" and "Use of Proceeds", to manufacture NVG-291 and to conduct preclinical studies to enable the filing of an investigational new drug (IND) application to the US Food and Drug Administration (FDA). A regulatory analysis supporting the development plan was also completed during this period.

See "Financial Statements" and "Management Discussion and Analysis" attached hereto as Appendix "A" and Appendix "B", for additional information.

The Company has not earned revenue other than income from interest earned on cash balances.

DIVIDENDS

The Company has not, since the date of its incorporation, declared or paid any dividends on its Common Shares. The Company intends to retain its earnings to finance growth and expand its operations and does not expect to pay any dividends in the foreseeable future. The Company does not have a policy with respect to the payment of dividends.

OUTSTANDING SECURITY DATA

As of the date of this Prospectus, the following securities of the Company were outstanding:

Security	Amount
Common Shares	17,201,659
Sixteen options to purchase	1,400,000 Common Shares

DESCRIPTION OF THE SECURITIES BEING DISTRIBUTED

The authorized share capital of the Company consists of an unlimited number of common shares without par value ("Common Shares"). At the date of this Prospectus, the Company has an aggregate of 17,201,659 fully paid Common Shares issued and outstanding.

The holders of the Common Shares, including the Offered Shares, are entitled to:

- vote at all meetings of shareholders of the Company, except meetings at which only holders of a specified class of shares (of which there is none as at the date of this Prospectus) are entitled to vote;
- receive, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company (of which there is none as at the date of this Prospectus), any dividends declared by the Company; and
- receive, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company (of which there is none in existence as at the date of this Prospectus), the remaining property of the Company upon the liquidation, dissolution or winding- up of the Company, whether voluntary or involuntary.

The Common Shares, including the Offered Shares, do not have nor are they subject to:

- any pre-emptive, conversion or exchange rights;
- any redemption, retraction, purchase for cancellation or surrender provisions but the Company, if authorized by a resolution of the Board, may purchase, redeem or otherwise acquire any of the Common shares at the price and upon the terms specified in such resolution;
- sinking or purchase fund provisions;
- provisions permitting or restricting the issuance of additional securities and any other material restrictions; or
- provisions requiring a securityholder to contribute additional capital.

The Company's board of directors (the "Board"), by a resolution passed by a majority of the votes cast, may:

- establish a maximum number of Common Shares that the Company is authorized to issue;
- increase, reduce or eliminate the maximum number of Common Shares if a maximum has been established;
- change all or any of the unissued Common Shares (which do not have a par value) into shares with par value;
- subdivide or consolidate all or any of its unissued, or fully paid issued, Common Shares into a greater or lesser number of Common Shares, respectively; and
- alter the identifying name of the Common Shares.

The Company's shareholders, by a resolution passed by a two thirds majority of the votes cast, may:

- create special rights or restrictions for, and attach those special rights or restrictions to, the Common Shares;
- vary or delete any special rights or restrictions attached to the Common Shares; and
- otherwise alter the Common Shares or the Company's share structure as permitted under the *Business Corporations Act* (British Columbia).

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at the dates indicated before and after giving effect to the minimum and maximum sizes of the Offering. This table should be read in conjunction with the financial statements of the Company (including the notes thereto) contained in this Prospectus.

Description	Securities Authorized	Outstanding as at September 30, 2018	Outstanding as at the date of this Prospectus	Outstanding after giving effect to the Offering	
				Minimum	Maximum
Common Shares ($)	Unlimited	17,201,659 ($ 3,846,630)	17,201,659 ($ 3,846,630)	24,201,659 ($ 10,846,630)	27,201,659 ($ 13,846,630)

OPTIONS TO PURCHASE SECURITIES

Stock Option Plan

The Company has adopted a stock option plan dated January 2, 2019 (the "Plan") which provides eligible directors, officers, employees and consultants with the opportunity to acquire an ownership interest in the Company and is the basis for the Company's long-term incentive scheme. The key features of the Plan are set out below.

The aggregate number of Common Shares reserved for option under the Plan ("Option") is fixed at 2,608,800 Common Shares, being 20% of the issued and outstanding Common Shares as at the date the Plan was approved by the Board. If Options expire or are surrendered or otherwise terminated without being exercised in whole or in part, new Options may be granted in place of such Options.

The exercise price of Options is determined by the Board, but will not be less than the Fair Market Value ("FMV") on the grant date. If the Common Shares are listed for trading on a stock exchange or over the counter market, the FMV is last closing price of a board lot of the Common Shares before such date on the stock exchange or over the counter market which is the principal trading market for the Common Shares, as may be determined for such purpose by the Board and if the Common Shares are not so listed for trading, the FMV of the Common Shares on such date as determined by the Board in good faith.

The Options have a maximum term of ten years from the date of issue.

Options vest as the Board may determine upon the award of the Options.

To the extent not earlier exercised, an Option shall terminate at the earliest of the following dates:

(a) the expiry date specified for such Option in the Option Agreement;

(b) where the optionee's position as an employee, a director or an executive officer of or a consultant to the Company or any subsidiary is terminated for just cause, the date of such termination for just cause;

(c) where the optionee's position as an employee, a director or an executive officer of or a consultant to the Company or any subsidiary (other than a person employed to provide investor relations activities), terminates for a reason other than the optionee's disability, death, or termination for just cause, 90 days after such date of termination, or in the case of a person employed to provide investor relations activities, 30 days after such termination but:

(i) if an optionee's position changes from one of the said categories to another category such change will not cause the option to terminate; or

(ii) upon the optionee making written application to the Board and receiving the written consent of the Board, which consent may be given at the discretion of the Board, at such later date as determined by the Board which must be no later than the original expiry date of such Option when it was granted and the first anniversary of the optionee's termination;

(d) where the optionee's position as an employee, a director or an executive officer of or a consultant to the Company or any subsidiary (other than a person employed to provide investor relations activities), terminates due to the optionee's death, the first anniversary of the optionee's death; and

(e) the date of any sale, transfer, assignment or hypothecation, or any attempted sale, transfer, assignment or hypothecation, of such Option in violation of non-transferability provisions.

Subject to the approval of any stock exchange on which the Company's securities are listed, the Plan may be terminated at any time by resolution of the Board, but any such termination will not affect or prejudice rights of participants holding options at that time. If the Plan is terminated, outstanding options will continue to be governed by the provisions of the Plan.

The Plan contains additional provisions to provide for Incentive Stock Option ("ISO") grants for United States resident optionees, intended to qualify as an "incentive stock option" pursuant to section 422 of the United States Internal Revenue Code of 1986, as amended.

Outstanding Options

As of the date of this Prospectus, there are outstanding Options to purchase 1,400,000 Common Shares as follows:

Optionee [(1)]	**Number of Common Shares under Option**	**Exercise Price per Common Share**	**Expiry Date**
Executive officers (1) of NervGen	50,000	$0.50	September 5, 2023
Directors (1) of NervGen	100,000	$0.50	September 5, 2023
Employees (1) of NervGen	100,000	$0.50	September 5, 2023
Employees (1) of NervGen US Inc.	100,000	$0.50	September 5, 2023
Executive officers (1) of NervGen	50,000	(2)	(3)
Directors (5) of NervGen	500,000	(2)	(3)
Consultants (4) of NervGen	400,000	(2)	(3)
Consultants (1) of NervGen US Inc.	100,000	(2)	(3)
Total	**1,400,000**		

Note:

(1) Current and past executive officers, directors and employees and current consultants, as applicable.
(2) Exercisable at the price per Offered Share at which the Company carries out the Offering.
(3) Exercisable on or before the fifth anniversary of the date on which the Offering is carried out.

PRIOR SALES

The following table summarizes the sales of Common Shares by the Company from incorporation to the date of this Prospectus.

Date	Price per Share	No. of Shares	Reason for Issuance
January 19, 2017	$0.01	2	Incorporation
June 11, 2018	$0.01	6,999,998	Private Placement
June 25, 2018 [(1)]	$0.20	3,975,000	Private Placement
June 25, 2018	$0.20	439,000	Consideration for License
September 12, 2018 [(2)]	$0.50	5,625,000	Private Placement
September 13, 2018	$0.50	162,659	Consideration for License
Total		**17,201,659**	

Notes:
(1) Issued between June 15 and June 25, 2018.
(2) Issued between August 31, 2018 and September 12, 2018.

See the "Selected Financial Information" section, as well as "Financial Statements" and "Management Discussion and Analysis" attached hereto as Appendix "A" and Appendix "B", for additional information on how the proceeds from the above private placements have been used.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

Escrowed Securities

In accordance with the policies of the applicable securities commissions, William J. Radvak (Executive Chairman), Dr. Ernest S. Wong (CEO), Robert G. Pilz (CFO), Brian E. Bayley (Director) and Dr. Harold M. Punnett (Director) (the "Escrowed Management Shareholders") have entered into an agreement dated December 4, 2018, as amended January 17, 2019 (the "Commission Escrow Agreement") with the Company and Computershare Investor Services Inc. (the "Trustee"), whereby the Escrowed Management Shareholders have agreed to deposit in escrow with the Trustee their 6,175,000 Common Shares (the "Escrowed Management Shares"), of which 4,750,000 were acquired at a price of $0.01 per share and 1,425,000 were acquired at a price of $0.20 per share, and any of the 500,000 Common Shares issued upon exercise of their stock options (the "Optioned Shares"). Of the Escrowed Management Shares (and any Optioned Shares that are issued and become Escrowed Management Shares), 10% will be released from escrow on the date the Common Shares are listed for trading on the Exchange and a further 15% will be released on each of the dates that are six, 12, 18, 24, 30 and 36 months after the first release, or at any time prior thereto with the consent of the applicable regulatory authorities.

In accordance with the policies of the Exchange, Brian J. McAlister, Dr. Jerry Silver, Dr. Bradley Lang and Huitt Tracey (the "Escrowed Seed Shareholders") have entered into an agreement dated January 25, 2019 (the "Exchange Escrow Agreement") with the Company and the Trustee, whereby the Escrowed Seed Shareholders have agreed to deposit in escrow with the Trustee their 2,250,000 Common Shares (the "Escrowed Seed Shares") acquired at a price of $0.01 per share. Of the Escrowed Seed Shares, 10% will be released from escrow on the date the Common Shares are listed for trading on the Exchange and a further 15% will be released on each of the dates that are six, 12, 18, 24, 30 and 36 months after the first release, or at any time prior thereto with the consent of the Exchange.

Also in accordance with the policies of the Exchange, the following Common Shares will be subject to restrictions on resale (the "Restricted Resale Shares"):

- 2,989,000 Common Shares acquired at a price of $0.20 per share will be subject to a one year restriction on resale with 20% becoming free of restriction on the date the Common Shares are listed for trading on the Exchange and a further 20% will be released on each of the dates that are three, six, nine and 12 months after the first release; and

- 5,787,659 Common Shares acquired at a price of $0.50 per share and 200,000 issuable upon the exercise of stock options will be subject to a four month restriction on resale with 20% becoming free of restriction on the date the Common Shares are listed for trading on the Exchange and a further 20% will be released on each of the dates that are one, two, three and four months after the first release.

The particulars of the Escrowed Management Shares, Escrowed Seed Shares and Restricted Resale Shares are as follows:

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Common Shares	17,201,659	100% (1)

Notes:

(1) If the maximum number of Offered Shares is sold and none of the existing shareholders participate in the Offering, no Escrowed Shareholders acquire any Optioned Shares and no other stock options are exercised, this percentage will be 63.23% on completion of the Offering or, if the minimum number of Offered Shares is sold, this percentage will be 71.07%..

The Company is an "emerging issuer" as defined in the applicable policies and notices of the Canadian Securities Administrators, and if the Company achieves "established issuer" status during the term of the Commission Escrow Agreement, it will "graduate," resulting in a catch-up release and an accelerated release of any securities remaining in escrow under the 18 month schedule applicable to established issuers, as if the Company had originally been classified as an established issuer.

PRINCIPAL HOLDERS OF COMMON SHARES

To the knowledge of the directors and senior officers of the Company, the only persons who beneficially own, directly or indirectly, or exercise control or direction over Common Shares carrying more than 10% of the outstanding voting rights attached to the Common Shares as at the date of this Prospectus are::

Number of Common Shares and Percentage of Outstanding

Name	At the date of this Prospectus	After the Maximum Offering	Type of Ownership
Harold M. Punnett	Undiluted: 2,250,000 (13.08%) Diluted: 2,350,000 (12.63%)	Undiluted: 2,250,000 (8.27%) Diluted: 2,350,000 (8.22%)	Of record and beneficial
William J. Radvak	Undiluted: 1,800,000 (10.46%) Diluted: 1,900,000 (10.21%)	Undiluted: 1,800,000 (6.62%) Diluted: 1,900,000 (6.64%)	Of record and beneficial

None of such Common Shares are being distributed in the Offering.

DIRECTORS AND EXECUTIVE OFFICERS

Details regarding the directors and executive officers of the Company as at the date of this Prospectus are as follows:

Name, Residence and Current Position with the Company	Date Appointed as a Director [1]	Principal Occupation or Employment during the Past Five Years [2]	Securityholdings [3]
William Joseph Radvak British Columbia, Canada Director and Executive Chairman	January 19, 2017	Executive Chairman of NervGen since May 16, 2018; President of NervGen from January 19, 2017 to June 6, 2018; President and CEO of Monitor Ventures Inc. since January 2010; and President and CEO of Regency Gold Corp. since April 2007.	1,800,000 shares Option to purchase 100,000 shares
Ernest Shingyan Wong Colorado, USA Director, President and Chief Executive Officer	June 6, 2018	President and CEO of NervGen since June 18, 2018; Vice President, Corporate Development of Accera, Inc. from January 2016 to October 2018; VP Business Development of Agenus Inc. from May to December 2015; and Head of Business Development and Licensing at Piramal Imaging Limited from April 2013 to April 2015.	1,500,000 shares Option to purchase 100,000 shares
Robert Gerhard Pilz British Columbia, Canada Chief Financial Officer and Secretary	N/A	Chief Financial Officer of NervGen since May 16, 2018; Secretary of NervGen since January 19, 2017; and Independent business consultant through wholly owned professional services company, Revelation Business Solutions Ltd.	375,000 shares Two options to purchase an aggregate of 100,000 shares
Michael Jeffrey Abrams [4] Washington, USA Director	August 21, 2018	Consultant since October, 2017; Executive Vice-President and Chief Discovery Officer, Arbutus Biopharma Corporation (formerly Tekmira Pharmaceutical Corporation) from January 2014 to September 2016; Vice-President, R&D and Chief Innovation Officer CDRD Ventures from September 2012 to December 2013.	Nil shares Two options to purchase an aggregate of 200,000 shares
Brian Eric Bayley [4] British Columbia, Canada Director	May 16, 2018	President of Earlston Management Corp., a private management company; and Executive Chairman of Earlston Investments Corp.	250,000 shares Option to purchase 100,000 shares
Harold Martin Punnett [4] British Columbia, Canada Director	January 19, 2017	Self-employed dentist as sole owner of Dr. Harold Punnett, Inc.	2,250,000 shares Option to purchase 100,000 shares

Notes:

(1) Each director ceases to hold office immediately before an annual general meeting for the election of directors is held but is eligible for re-election or re-appointment.
(2) Unless otherwise indicated, to the knowledge of the applicable officer or director, the organization at which the officer or director was occupied or employed is still carrying on business.
(3) See "Outstanding Options" for details of Options.
(4) Member of the audit committee.

As of the date of this Prospectus, the directors and executive officers of the Company, as a group, beneficially own, directly or indirectly, or exercise control or direction over 6,175,000 (35.90%) Common Shares.

Directors' and Executive Officers' Biographies

William J. Radvak, 56, Director and Executive Chairman – Mr. William Radvak is a co-founder of NervGen and as its Executive Chairman is responsible for creating and leading the fundraising and investor relations plans. He will expend approximately 33% of his business time on NervGen's business as an officer of the Company. His consulting agreement with NervGen contains a confidentiality clause. He has not entered into non-competition agreement with NervGen.

Mr. Radvak has been the CEO and director of multiple start-up companies. He was a founder and the CEO of Response Biomedical Corp., a (formerly publicly listed) medical device company (which continues to carry on that business), which he led from its inception to a 90-employee, sales and manufacturing company. Since 2010, Mr. Radvak has been the President and CEO of Monitor Ventures Inc. (a dormant vanadium mining company) and since 2007 he has been the President and CEO of Regency Gold Corp. (a dormant gold exploration company)

Mr. Radvak holds a Bachelor of Applied Science degree in Geological Engineering from the University of British Columbia.

Ernest S. Wong, 51, Director, President and Chief Executive Officer – Dr. Ernest Wong is responsible for for the overall planning and execution of strategies and results of the Company. The CEO leads the development and implementation of corporate strategies, and directs the development and execution of short and long range objectives, policies, budgets, and operating plans. He establishes the corporate and management structure and manages the senior management team, With the Executive Chairman and CFO, he is responsible for the timely raising of funds required to advance the development of NVG-291 and the PTPσ technology. The CEO serves as management's representative on the Board of Directors and works with the Executive Chairman to introduce and present the Company to the investment, business and scientific communities. He will expend all of his business time on NervGen's business as an employee of the Company and the Subsidiary. He has entered into non-competition and non-disclosure agreements with NervGen.

Dr. Wong has over 20 years of experience in the pharmaceutical and biotechnology industries. Prior to joining NervGen, Dr. Wong was the Vice President, Corporate Development of Accera, Inc., a Nestle Health Science backed clinical stage biotechnology company that develops therapies for central nervous system disorders. Prior to Accera, Dr. Wong was VP Business Development at Agenus Inc. (a biotechnology company) and before that the Head of Business Development and Licensing at Piramal Imaging Limited (a neuroimaging company) where he successfully completed a number of high-value strategic transactions as part of the commercial launch of a neuroimaging agent. All of such companies continue to carry on such businesses. Prior to Piramal Imaging, he led the corporate development function at YM Biosciences Inc. (a drug development company) where he executed a partnering campaign for a phase 2/3 product that resulted in its acquisition by Gilead Sciences, Inc. in for over US$ 500 million in 2013. His experience also includes executing business development transactions, managing partnerships and global clinical programs at OSI Pharmaceuticals, Inc. and AnorMED Inc. (drug development companies).

Dr. Wong holds a Bachelor of Science degree in Chemistry and Nuclear Science from Simon Fraser University, a Master of Business Administration degree from the University of Colorado and PhD in Chemistry and Nuclear Medicine from the University of British Columbia.

Robert G. Pilz, 52, Chief Financial Officer and Corporate Secretary – Mr. Robert Pilz is responsible for the overall financial and administrative activities, results and with the rest of the executive team, co-leading the development and implementation of corporate strategies, the development of short and long range objectives, policies, budgets, and operating plans. He represents the Company to the financial community and others as needed and together with the Executive Chairman and CEO, is responsible for planning and executing the fundraising activities of the Company. He will expend approximately 60% of his business time on NervGen's business as a consultant to the Company. His consulting agreement with NervGen contains a confidentiality clause. He has not entered into non-competition agreement with NervGen.

Mr. Pilz has held CFO and VP Finance positions in three early stage companies including: In Motion Technology Inc. (a private technology company) in 2011 and 2012; Class Software Solutions Ltd. (a private software company) in 2003 and 2004, and a total of six years, during two separate periods in 2000 through 2008, as CFO of Response Biomedical Corp., a (formerly publicly listed) medical device company (which continues to carry on that business).

During his tenure at Response Biomedical, multiple products were developed and commercialized. His direct functional experience spans strategic and operational planning, corporate finance (public and private, Canadian and United States), mergers and acquisitions, partnering, audit, accounting, performance management, and project management.

Mr. Pilz holds a Bachelor of Commerce degree from the University of British Columbia and is a Chartered Professional Accountant.

Michael J. Abrams, 62, Independent Director - Dr. Michael Abrams serves on the Board of Directors of TRIUMF Innovations Inc., a company which commercializes the technology generated by TRIUMF – Canada's national particle accelerator laboratory in Vancouver, British Columbia. Previously, he held Executive VP roles at Arbutus Biopharma Corporation (formerly Tekmira Pharmaceuticals Corporation (a biopharmaceutical company) in 2014 through 2016; was the VP Research & Development at CDRD Ventures Inc. (a drug commercialization company for Canada's Centre for Drug Research and Development in Vancouver, British Columbia) in 2012 and 2013; and CEO of Inimex Pharmaceuticals Inc. (a drug development company) from 2009 to 2012. Previously, he was the founding President and Chief Executive Officer of AnorMED Inc. from 1996 to 2006.

Dr. Abrams graduated with BA in chemistry from Bowdoin College in Brunswick, Maine in 1978 and subsequently received his PhD in chemistry from the Massachusetts Institute in Technology in 1983.

Brian E. Bayley, 65, Independent Director - Mr. Brian Bayley serves as the President and a director of Earlston Management Corp. (a private management company) and Executive Chairman of Earlston Investments Corp. (a private merchant bank). Previously, Mr. Bayley was a director and Resource Lending Advisor for Sprott Resource Lending Corp. (formerly Quest Capital Corp.), a Toronto Stock Exchange ("TSX") and NYSE American listed resource lending corporation. He has held active senior management positions in both private and public natural resource companies and has over 30 years of public issuer experience, both as an officer and a director.

Mr. Bayley holds an MBA from Queen's University. He is also a director and officer of several other public companies

Harold M. Punnett, 62, Independent Director - Dr. Harold Punnett is a Member of the Canadian Dental Association, a Member of the College of Dental Surgeons of British Columbia, and a Member of the British Columbia Dental Association. Dr. Punnett is an experienced angel investor and has acted as a director of two public issuers. A co-founder of NervGen, he has a passion for helping those with SCI and nerve related challenges.

Dr. Punnett holds a Doctor of Dental Medicine degree from the University of British Columbia.

Management of the Company

The Company's Chief Executive Officer provides overall leadership and vision in developing the strategic direction of the Company, in consultation with the Board. The Chief Executive Officer also manages the overall business of the Company to ensure its strategic plan is effectively implemented and the results are monitored and reported to the Board. The Company's Chief Financial Officer is responsible for establishing and maintaining financial disclosure controls and procedures for the Company in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as described below, no director or executive officer of the Company is, as at the date of this Prospectus, or was within 10 years before the date of this Prospectus, a director, chief executive officer or chief financial officer of any company (including the Company), that was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation (any of which was in effect for a period of more than 30 consecutive days) that was issued:

(a) while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

(a) is, as at the date of this Prospectus, or has been within the 10 years before the date of this Prospectus, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

NervGen's directors are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests that they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict must disclose his interest and abstain from voting on such matter. To the best of the Company's knowledge, and other than as disclosed in the following paragraph, there are no known existing or potential conflicts of interest among the Company or its subsidiary, its directors and officers or other members of management or of any proposed promoter, director, officer or other member of management as a result of their outside business interests.

Some of NervGen's directors and officers serve as directors and officers of other private and public companies (including pharma development companies). Additionally, some of NervGen's directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations (including pharma development companies), and situations may arise where these directors and officers may be serving another corporation with interests that are in direct competition with the Company. In the event of any conflicts of interest, such conflicts must be disclosed to the Company and dealt with in accordance with the provisions of the *Business Corporations Act* (British Columbia).

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Introduction

The purpose of this Compensation Discussion and Analysis ("**CD&A**") is to provide information about the Company's philosophy, objectives and processes regarding executive compensation. This disclosure is intended to communicate the compensation provided to NervGen's current and former (during the last financial year) Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**"), the most highly compensated executive officers of the Company (other than the CEO and the CFO), if any, whose individual total compensation will be more than $150,000 for any financial year (collectively the "**Named Executive Officers**" or "**NEOs**") and the directors of the Company.

The Named Executive Officers during the financial year ended December 31, 2017 were William J. Radvak, CEO and Robert G. Pilz, CFO and Secretary, through his professional services company, Revelation Business Solutions Ltd. As at the date hereof, the NEOs of the Company are Dr. Ernest S. Wong, President and CEO, and Robert G. Pilz, CFO and Secretary.

Compensation Philosophy and Objectives

The compensation program adopted by the Company and applied to its Named Executive Officers was designed to attract and retain qualified and experienced executives who will contribute to the success of the Company. The executive compensation program attempts to ensure that the compensation of the Company's executive officers provides a competitive base compensation package and a bonus plan with a strong link to corporate performance objectives. Executive officers will be motivated through the program to enhance long-term shareholder value.

Compensation Process

The Board relies on the knowledge and experience of its members to set appropriate levels of compensation for NEOs and individual directors. When determining NEO compensation, which is reviewed on an annual basis, the Board uses all data available to it to ensure that such compensation is set at a level that is both commensurate with the size of the Company and the responsibilities of the particular NEO and sufficient to retain the NEOs considered by the Board to be essential to the success of the Company. In reviewing comparative data, the Board does not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined level and does not compare its compensation to a specific peer group of companies. The Board reviews the various elements of the NEOs' compensation in the context of the total compensation package (including salary, bonus and awards of stock options) and recommends the NEOs' compensation packages. In determining whether and how many stock options will be granted, the Board does not use any formal objectives, criteria or analyses in reaching such determinations; however consideration is given to the amount and terms of outstanding stock options.

The Board also relies on the knowledge and experience of its members to set appropriate levels of compensation for individual directors. Remuneration of the Board is reviewed annually and is usually only paid in the form of Options.

Elements of Compensation

Standard compensation arrangements for the Company's executive officers are, and are expected to continue to be, composed of the following elements, which are linked to the Company's compensation and corporate objectives as follows:

Compensation Element	**Link to Compensation Objectives**	**Link to Corporate Objectives**
Base Salary or Consulting Fees	Attract and retain	Competitive pay ensures access to skilled employees and consultants necessary to achieve corporate objectives.
Bonus	Attract and retain	Bonus plans serve to focus employees' efforts on key objectives, increase employee motivation by establishing a clear link between pay and performance and support stakeholder ideals by allowing employees to share in the success of the business.
Options	Motivate and reward, align interests with shareholders	Long-term incentives motivate and reward employees and consultants to increase shareholder value by the achievement of long-term corporate strategies and objectives.

Management Contracts

Chief Executive Officer: The Company and Dr. Wong entered into two separate employment agreements (one with the Company and one with the Subsidiary) effective August 1, 2018, for an indefinite term, pursuant to which Dr. Wong is employed as the Chief Executive Officer of the Company and the Subsidiary.

The employment agreement with the Company entitled Dr. Wong to an annual salary of US$ 12,500 until October 1, 2018 whereupon it increased to US$ 25,000. Dr. Wong's salary will further increase to US$ 30,000, beginning upon the earlier of (i) April 1, 2019 and (ii) the Company completing an IPO and listing the Common Shares on a recognized stock exchange. Dr. Wong was paid a signing bonus of $500 in consideration of entering into the agreement.

The employment agreement with the Subsidiary entitled Dr. Wong to an annual salary of US$ 112,500 until October 1, 2018 whereupon it increased to US$ 225,000. Dr. Wong's salary will further increase to US$ 270,000, beginning upon the earlier of (i) April 1, 2019 and (ii) the Company completing an IPO and listing the Common Shares on a recognized stock exchange. The Subsidiary will reimburse Dr. Wong up to US$ 2,000 for tax advice and assistance in respect of the agreement.

The employment agreements are both subject to termination by:

(a) the Company for "just cause", in which case such termination will occur automatically;

(b) Dr. Wong on one month written notice to the Company; and

(c) the Company, without just cause, at any time and for any reason.

If either employment agreement is terminated by Dr. Wong in accordance with (b) above, the Company may waive its right to receive notice and require Dr. Wong's immediate resignation in exchange for pay in lieu of notice.

If the Company terminates Dr. Wong other than for "just cause", the Company shall provide Dr. Wong with:

(a) if the termination occurs prior to the Company completing its IPO, Dr. Wong's salary, less applicable withholdings, at the salary rate in effect at the time of the termination of employment, for six months from the date of termination (the "Severance Benefit Period") or if the termination occurs after the Company has completed its IPO, the Severance Benefit Period will increase to 12 months;

(b) payment of any cash performance bonus payable with respect to the financial year prior to the financial year in which termination occurs (if not previously paid), and, payment of any prorated bonus for the year in which termination occurs, which payment shall be calculated based on the bonus payable or awarded for the previous financial year; and

(c) payment during the Severance Benefit Period (or until such earlier date that substantially equivalent or better benefits are provided by a successor employer) of the cost of applicable insurance premiums for all health insurance.

If (i) Dr. Wong's employment is terminated for reasons other than "just cause", or (ii) Dr. Wong terminates either employment agreement for good reason and continues working for the Company and the Subsidiary for three months, then he will be entitled to:

(a) a lump sum payment equal to (i) an additional 12 months of salary (less required withholdings and deductions) if the Company has completed an IPO, or (ii) an additional six months of salary (less required withholdings and deductions) if the Company has not completed an IPO;

(b) a lump sum payment of any cash performance bonus payable with respect to the financial year prior to the financial year in which change of control occurs (if not previously paid), plus the prorated bonus for the year in which termination occurs, which payment shall be calculated based on the target bonus payable for the financial year; and

payment of the cost for applicable insurance premiums for all health insurance for a period of (i) 12 months if the Company has completed an IPO, (ii) six months if the Company has not completed an IPO, or until such earlier date that substantially equivalent or better benefits are provided by a successor employer.

Executive Chairman: Pursuant to a consulting agreement effective May 16, 2018, Mr. Radvak earned a fee of $5,000 per month beginning June 1, 2018, which increased to $7,500 per month effective August 1, 2018.

The agreement has a term until December 31, 2019 and will automatically extend for one year unless otherwise terminated. The agreement with Radvak sets out duties and responsibilities, as well as compensation, benefits and incentives as well as confidentiality and indemnity provisions that extend beyond expiration.

On termination of the agreement by the Company, Radvak will be entitled to severance equal to the previous six months fees plus compensation accrued and expenses incurred to the date of such termination. If Radvak's engagement is terminated as a result of a change of control, then he will be entitled, in addition to the foregoing severance, to an additional lump sum payment equal to the fees paid in the previous six months.

Chief Financial Officer: Pursuant to a consulting agreement effective May 16, 2018, Mr. Pilz is engaged to provide consulting services to the Company through his professional services company, Revelation Business Solutions Ltd., until December 31, 2019 and automatically extended for one year unless otherwise terminated. Beginning July 16, 2018, Revelation earns $15,000 per month, reducing to $10,000 per month, commencing on the month following a successful IPO.

On termination of the agreement by the Company, Revelation will be entitled to severance equal to the previous six months fees plus compensation accrued and expenses incurred to the date of such termination. If Revelation's engagement is terminated for reasons as a result of a change of control, then Revelation will be entitled, in addition to the foregoing severance, to an additional lump sum payment equal to the fees paid in the previous six months.

Base Salaries and Consulting Fees

As the Company is in the development-stage, it cannot staff every function that would be in place in a more mature, profitable corporation. Nevertheless, the Company also requires access to a similar range of expertise and hands-on capabilities. Therefore, the Company makes use of consultants, typically on a part-time basis. All consultants must enter into a Confidential Disclosure Agreement with the Company. The specific terms of each consulting engagement differ as to the consultant's time commitment to the Company and the compensation rate paid to the consultant. Industry consultant compensation norms, consultant capabilities, and the Company's needs are the key factors when determining appropriate consultant compensation.

The Company provides executive officers with base salaries providing their minimum compensation for services rendered during a financial year. NEOs' base compensation depends on the scope of their experience, responsibilities, performance, length of service, general industry trends and practices, competitiveness, and the Company's existing financial resources. Base salaries are reviewed annually by the Board. The base compensation and consulting fee arrangements for the current CEO, Dr. Ernest S. Wong, as at the date of this Prospectus, and for the NEOs as at December 31, 2017, William J. Radvak and Robert G. Pilz, are summarized as follows:

Named Executive Officer	Base Compensation/Consulting Fees Per Month
Ernest S. Wong, CEO	$27,056 (1)
William J. Radvak, Executive Chairman	$7,500
Robert G. Pilz, CFO	$15,000 (2)

Notes:

(1) Converted to Canadian dollars at a rate of $0.77 U.S. dollar per Canadian dollar.
(2) Agreement was verbally amended to increase the monthly fee from $10,000 to $15,000 effective September 1, 2018.

Performance Bonus

The Company provides its executive officers with a performance bonus based on the achievement of detailed employee performance objectives as well as the attainment of the Company's goals.

The maximum bonus amounts for the financial years commencing January 1, 2018 for the current CEO, Dr. Ernest S. Wong, and for the NEOs as at December 31, 2017, William J. Radvak and Robert G. Pilz, are as follows:

Named Executive Officer	Potential Annual Bonus as Percentage of Base Compensation
Ernest S. Wong, CEO	30%
William J. Radvak, Executive Chairman	Nil
Robert G. Pilz, CFO	20%

Stock Options and Other Compensation Securities

The grant of Options pursuant to the Plan has been an integral component of the compensation arrangements of the senior officers of the Company, and the Company expects this to continue. The Board believes that the grant of stock options to executive officers and Common Share ownership by such officers motivates such officers to strive towards achievement of the Company's long-term strategic objectives, which will benefit all shareholders.

Options will be awarded based on determinations by the Board. Decisions with respect to Option grants will be based upon the individual's level of responsibility and their contribution towards the Company's goals and objectives, and may be awarded in recognition of the achievement of a particular goal or extraordinary service. The Board will consider the overall number of Options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of Options and the size of such grants.

The following table lists the Common Shares issuable under Options held, as at the date of this Prospectus, by the current CEO, Dr. Ernest Wong, the NEOs and the directors:

Compensation Securities

Name and position	Type and number of Compensation Security and percentage of class	Number of Underlying Securities and percentage of class	Date of issue or grant	Issue, conversion or exercise price	Closing price of security or Underlying security [5]		Expiry date
					On date of grant	At year end	
Ernest S. Wong CEO & Director	One Option [1] 6.25%	100,000 0.58%	Jan. 17, 2019	(4)	N/A	N/A	(6)
William J. Radvak Executive Chairman & Director	One Option [1] 6.25%	100,000 0.58%	Jan. 17, 2019	(4)	N/A	N/A	(6)
Robert G. Pilz CFO	One Option [1][2] 6.25%	50,000 0.29%	Sept. 5, 2018	$0.50	N/A	N/A	Sept. 5, 2023
	One Option [1][2] 6.25%	50,000 0.29%	Jan. 17, 2019	(4)	N/A	N/A	(6)
Michael J. Abrams Director	One Option [3] 6.25%	100,000 0.58%	Sept. 5, 2018	$0.50	N/A	N/A	Sept. 5, 2023
	One Option [1] 6.25%	100,000 0.58%	Jan. 17, 2019	(4)	N/A	N/A	(6)
Brian E. Bayley Director	One Option [1] 6.25%	100,000 0.58%	Jan. 17, 2019	(4)	N/A	N/A	(6)
Harold M. Punnett Director	One Option [1] 6.25%	100,000 0.58%	Jan. 17, 2019	(4)	N/A	N/A	(6)

Notes:

(1) The options vest on the earlier of the completion of the Offering and April 1, 2019.
(2) The options were issued to a professional services company, Revelation Business Solutions Ltd., owned by Mr. Pilz, CFO, and vests on the earlier of the completion of the Offering and April 1, 2019.
(3) The option vests as to 50% on the earlier of the completion of the Offering and April 1, 2019 and 50% on August 21, 2019.
(4) Exercisable at the price per Offered Share at which the Company carries out the Offering.
(5) Since the Common Shares are not publicly traded, these amounts cannot be provided.
(6) Exercisable on or before the fifth anniversary of the date on which the Offering is carried out.

Summary Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid to the current CEO, Dr. Ernest Wong, to the NEOs as at December 31, 2017, and to the current directors (who are not NEOs) for services in all capacities to NervGen for the period from incorporation on January 19, 2017 to December 31, 2017 and for the nine months ended September 30, 2018.

Compensation Excluding Compensation Securities

Name and Position	Year [1]	Salary, consulting fee, retainer or commission	Bonus	Committee or meeting fees	Value of perquisites	Value of All Other Compensation	Total Compensation
Ernest S. Wong	2018	$51,965	$500[8]	Nil	$2,579[9]	Nil	$55,044
CEO & Director [2]	2017	Nil	Nil	Nil	Nil	Nil	Nil
William J. Radvak	2018	$32,500	Nil	Nil	Nil	Nil	$32,500
Executive Chairman [2] & Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
Robert G. Pilz	2018	$57,500	Nil	Nil	Nil	Nil	$57,500
CFO	2017	$30,000	Nil	Nil	Nil	Nil	$30,000
Michael J. Abrams	2018	Nil	Nil	Nil	Nil	Nil	Nil
Director [3]	2017	Nil	Nil	Nil	Nil	Nil	Nil
Brian E. Bayley	2018	Nil	Nil	Nil	Nil	Nil	Nil
Director [4]	2017	Nil	Nil	Nil	Nil	Nil	Nil
Harold M. Punnett	2018	Nil	Nil	Nil	Nil	Nil	Nil
Director [5]	2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) The Company's first financial period (2017) is the period from incorporation on January 19, 2017 to December 31, 2017 and the current interim period (2018) is from January 1, 2018 to September 30, 2018

(2) On June 18, 2018, Dr. Wong was appointed President and CEO in the place of Mr. Radvak. None of the compensation paid to Messrs. Wong and Radvak is paid to them in their capacities as director.

(3) Dr. Abrams was appointed a director on August 21, 2018.

(4) Mr. Bayley was appointed a director on May 16, 2018.

(5) Dr. Punnett was appointed a director on January 19, 2017.

(6) Of this amount, $7,500 pertained to October 2018 fees paid in September 2018.

(7) Of this amount, $15,000 pertained to October 2018 fees paid in September 2018.

(8) Accrued at September 30, 2018 and paid in October 2018.

(9) Accrued at September 30, 2018.

Directors' and Officers' Liability Insurance

NervGen has received quotes for directors' and officers' liability insurance for its directors and officers which will be updated following completion of the Offering. An insurance policy is expected to be issued to the Company concurrent with the completion of the Offering which covers the liabilities of directors and officers up to a maximum claim of $10 million (less a deductible of up to $50,000 payable by the Company depending on the nature of the claim) for each loss at an annual premium of $36,000. NervGen believes this level of coverage is appropriate for a biopharmaceutical company at its stage of development.

In addition, the Company has entered into indemnification agreements with each of its directors and officers. The indemnification agreements generally require that the Company indemnify and hold the directors and officers harmless for all liabilities incurred directly and indirectly out of their service to the Company as directors and officers, if the indemnitees acted honestly and in good faith with a view to the best interests of the Company and, with respect to criminal and administrative actions or other non-civil proceedings that are enforced by monetary penalty, if the indemnitee had reasonable grounds to believe that his or her conduct was lawful.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

As of the date of this Prospectus, there is no indebtedness owing to the Company from any of its current, or former, executive officers, directors, or employees, including in respect of a purchase of the Company's securities and indebtedness to others where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement provided by the Company.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

No person who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, and no associate of any such director or officer is, or at any time since the beginning of the most recently completed financial year of the Company has been, indebted to the Company, and no such persons owe a debt to another entity, which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement provided by the Company.

AUDIT COMMITTEE

Overview

The Audit Committee of the Board is principally responsible for:

- recommending to the Board the external auditor to be nominated for election by the Shareholders at each annual general meeting and negotiating the compensation of such external auditor;
- overseeing the work of the external auditor;
- reviewing the Company's annual and interim financial statements, Management Discussion & Analysis (MD&A) and press releases regarding earnings before they are reviewed and approved by the Board and publicly disseminated by the Company; and
- reviewing the Company's financial reporting procedures and disclosure controls to ensure adequate procedures are in place for the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.

The Audit Committee's Charter

Effective September 26, 2018 the Board adopted the following as the Audit Committee's Charter.

Composition and Process

(a) The Audit Committee shall be composed of a minimum of three members of the Board of Directors, a majority of whom are independent. An independent director, as defined in National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") is a director who has no direct or indirect material relationship which could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a member's independent judgment or as otherwise determined to be independent in accordance with NI 52-110.

(b) Members shall serve one-year terms and may serve consecutive terms, which are encouraged to ensure continuity of experience.

(c) The Chairperson shall be appointed by the Board of Directors for a one-year term and may serve any number of consecutive terms.

(d) All members of the Audit Committee shall be financially literate. Financial literacy is the ability to read and understand a balance sheet, income statement and cash flow statement that present a breadth and level of complexity comparable to the Company's financial statements.

(e) The Chairperson shall, in consultation with management and the external auditor and internal auditor (if any), establish the agenda for the meetings and ensure that properly prepared agenda materials are circulated to the members with sufficient time for study prior to the meeting. The external auditor will also receive notice of all meetings of the Audit Committee. The Audit

Committee may employ a list of prepared questions and considerations as a portion of its review and assessment process.

(f) The Audit Committee shall meet at least once per year and may call special meetings as required. A quorum at meetings of the Audit Committee shall be its Chairperson and one of its other members or the Chairman of the Board of Directors. The Audit Committee may hold its meetings, and members of the Audit Committee may attend meetings, by telephone conference if this is deemed appropriate.

(g) The minutes of the Audit Committee meetings shall accurately record the decisions reached and shall be distributed to Audit Committee members with copies to the Board of Directors, the Chief Executive Officer, the Chief Financial Officer and the external auditor.

(h) The Audit Committee reviews, prior to their presentation to the Board of Directors and their release, all material financial information required by securities legislation and policies.

(i) The Audit Committee enquires about potential claims, assessments and other contingent liabilities.

(j) The Audit Committee periodically reviews with management, depreciation and amortization policies, loss provisions and other accounting policies for appropriateness and consistency.

(k) The Charter of the Audit Committee shall be reviewed by the Board of Directors on an annual basis.

Authority

(l) Appointed by the Board of Directors pursuant to the provisions of the *Canada Business Corporations Act* and the by-laws of the Company.

(m) Primary responsibility for the Company's financial reporting, accounting systems and internal controls is vested in senior management and is overseen by the Board of Directors. The Audit Committee is a standing committee of the Board of Directors established to assist it in fulfilling its responsibilities in this regard. The Audit Committee shall have responsibility for overseeing management reporting on internal controls. While it is management's responsibility to design and implement an effective system of internal control, it is the responsibility of the Audit Committee to ensure that management has done so.

(n) In fulfilling its responsibilities, the Audit Committee shall have unrestricted access to the Company's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.

(o) The Audit Committee shall have direct communication channels with the internal auditor (if any) and the external auditor to discuss and review specific issues, as appropriate.

(p) The Audit Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties.

(q) The Audit Committee shall establish the compensation to be paid to any advisors employed by the Audit Committee and such compensation shall be paid by the Company as directed by the Audit Committee.

Relationship with External Auditors

(r) An external auditor must report directly to the Audit Committee.

(s) The Audit Committee is directly responsible for overseeing the work of the external auditor including the resolution of disagreements between management and the external auditor regarding financial reporting.

(t) The Audit Committee shall implement structures and procedures to ensure that it meets with the external auditor on at least annually in the absence of management.

Accounting Systems, Internal Controls and Procedures

(u) Obtain reasonable assurance from discussions with and/or reports from management, and reports from external auditors that accounting systems are reliable and that the prescribed internal controls are operating effectively for the Company and its subsidiaries and affiliates.

(v) The Audit Committee shall review to ensure to its satisfaction that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements and will periodically assess the adequacy of those procedures.

(w) Direct the external auditor's examinations to particular areas.

(x) Review control weaknesses identified by the external auditor, together with management's response.

(y) Review with the external auditor its view of the qualifications and performance of the key financial and accounting executives.

(z) In order to preserve the independence of the external auditor the Audit Committee will:

(i) recommend to the Board of Directors the external auditor to be nominated; and

(ii) recommend to the Board of Directors the compensation of the external auditor's engagement;

(aa) The Audit Committee shall review and pre-approve any engagements for non-audit services to be provided by the external auditor or its affiliates, together with estimated fees, and consider the impact on the independence of the external auditor.

(bb) Review with management and with the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgments of management that may be material to financial reporting.

(cc) The Audit Committee shall review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and most recent former external auditor of the Company.

(dd) The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

(ee) The Audit Committee shall on an annual basis, prior to public disclosure of its annual financial statements, ensure that the external auditor has entered into a participation agreement and has not had its participant status terminated, or, if its participant status was terminated, has been reinstated in accordance with the Canadian Public Accountability Board ("CPAB") bylaws and is in compliance with any restriction or sanction imposed by the CPAB.

Statutory and Regulatory Responsibilities

(ff) Annual Financial Information - review the annual audited financial statements and related management's discussion and analysis ("MD&A"), including any letter to shareholders and related press releases, and recommend their approval to the Board of Directors, after discussing matters such as the selection of accounting policies (and changes thereto), major accounting judgments, accruals and estimates with management and the external auditor.

(gg) Annual Report - review the management MD&A section and all other relevant sections of the annual report, if prepared, to ensure consistency of all financial information included in the annual report.

(hh) Interim Financial Statements - review the quarterly interim financial statements and related MD&A, including any letter to shareholders and related press releases and recommend their approval to the Board of Directors.

(ii) Earnings Guidance/Forecasts - review forecasted financial information and forward-looking statements.

(jj) Review the Company's financial statements, MD&A and earnings press releases before the Company publicly discloses this information.

Reporting

(kk) Report, through the Chairperson of the Audit Committee, to the Board of Directors following each meeting on the major discussions and decisions made by the Audit Committee.

(ll) Report annually to the Board of Directors on the Audit Committee's responsibilities and how it has discharged them.

(mm) Review the Audit Committee's Charter annually and recommend the approval of any proposed amendments to the Board of Directors.

Other Responsibilities

(nn) Investigating fraud, illegal acts or conflicts of interest.

(oo) Discussing selected issues with corporate counsel or the external auditor or management.

Composition of the Audit Committee

The Audit Committee consists of three directors: Brian E. Bayley (Chair), Dr. Michael J. Abrams and Dr. Harold M. Punnett.

The following table sets out the names of the Audit Committee members and whether they are "independent" and "financially literate".

Name of Member	Independent [(1)]	Financially Literate [(2)]
Brian E. Bayley	Yes	Yes
Michael J. Abrams	Yes	Yes
Harold M. Punnett	Yes	Yes

Notes:

(1) To be considered to be independent, a member of the Audit Committee must not have any direct or indirect 'material relationship' with the Corporation. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Notwithstanding that it will become a "venture issuer" and be exempt from the requirement in NI 52-110 that all of the members of its Audit Committee be independent, all of the members of the Audit Committee are independent.

(2) To be considered financially literate, a member of the Audit Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member are set out below:

Brian E. Bayley

Mr. Bayley serves as the President and a director of Earlston Management Corp., a private management company and Executive Chairman of Earlston Investments Corp., a private merchant bank. Previously, Mr. Bayley was a director and Resource Lending Advisor for Sprott Resource Lending Corp. (formerly Quest Capital Corp.), a TSX and NYSE American listed resource lending corporation. He has held active senior management positions in both private and public natural resource companies and has over 30 years of public issuer experience, both as an officer and a director. Mr. Bayley holds an MBA from Queen's University. He is also a director and officer of several other public companies.

Michael J. Abrams

Dr. Abrams serves on the Board of Directors of TRIUMF Innovations in Vancouver, British Columbia. Previously, he held Executive VP roles at Arbutus Biopharma Corporation (formerly Tekmira Pharmaceuticals Corporation) in

2014-2016; was the VP Research & Development at CDRD Ventures Inc. in 2012 and 2013; and CEO of Inimex Pharmaceuticals from 2009 to 2012. Previously, he was the founding President and Chief Executive officer of AnorMED Inc. from 1996 to 2006. Dr. Abrams graduated with BA in chemistry from Bowdoin College in Brunswick, ME in 1978 and subsequently received his PhD in chemistry from the Massachusetts Institute in Technology in 1983.

Harold M. Punnett
Dr. Punnett is a Member of the Canadian Dental Association, a Member of the College of Dental Surgeons of British Columbia, and a Member of the British Columbia Dental Association. Dr. Punnett is an experienced angel investor and has acted as a director of two public issuers, and in such roles, he has been responsible for reviewing and approving annual and interim financial statements. Dr. Punnett holds a Doctor of Dental Medicine degree from the University of British Columbia.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

Reliance on Certain Exemptions

As it will become a "venture issuer", the Company intends to rely on the exemption contained in section 6.1 of NI 52-110 from the requirement to publish its Audit Committee Charter in an annual information form and to refer to such publication in its information circular issued in connection with its annual general meeting.

At no time since the commencement of the Company's most recently completed financial year has the Company relied on:

(a) the exemption in section 2.4 (*De Minimis Non-audit Services*);

(b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*);

(c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*);

(d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*), or

(e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in section (aa) in "*Accounting Systems, Internal Controls and Procedures*" of the Audit Committee Charter.

Auditor Fees

The fees paid by the Company to its auditors in each of its last two financial years, by category, are as follows:

Financial Period Ending	Audit Fees [1]	Audit Related Fees [2]	Tax Fees [3]	All Other Fees
December 31, 2017	$15,000	Nil	$1,150	Nil
September 30, 2018	$5,000 [4]	Nil	Nil	Nil

Notes:

(1) The aggregate fees billed by the Company's auditors for audit fees.
(2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column.
(3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice, and tax planning.
(4) Although no fees were billed at the date of this Prospectus, the Company accrued $5,000 for audit fees relating to the nine month period ended September 30, 2018.

CORPORATE GOVERNANCE

National Policy 58-201 – *Corporate Governance Guidelines* (the "Guidelines") addresses matters such as the constitution of and the functions to be performed by the Board.

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") requires the Company disclose its approach to corporate governance with reference to the Guidelines. The Board is committed to ensuring that the Company has an effective corporate governance system, which adds value and assists the Company in achieving its objectives.

Board of Directors

Each of Brian E. Bayley, Dr. Harold M. Punnett and Dr. Michael J. Abrams is an "independent" director, according to the definition set out in NI 52-110. Each of William J. Radvak and Dr. Ernest S. Wong is not independent as they are executive officers of the Company.

The independent directors believe that their knowledge of the Company's business and their independence are sufficient to facilitate the functioning of the Board independently of management. To facilitate open and candid discussion among the Board's independent directors, the independent directors have the discretion to meet in private in the absence of the other directors whenever they believe it is appropriate to do so. To date, the independent directors have not held a meeting at which non-independent directors and members of management were not in attendance.

Other Directorships

The directors of the Company are presently directors of other reporting issuers, as follows:

Name of Director	Directorship(s) held in other Reporting Issuers
Michael J. Abrams	None
Brian E. Bayley	Monitor Ventures Inc. (NEX [(1)]) Cypress Hills Resource Corp. (NEX) EMX Royalty Corp. (TSX Venture) Queensdale Capital Corp. (TSX Venture) TransAtlantic Petroleum Corp. (TSX)
Harold M. Punnett	Regency Gold Corp. (NEX)
William J. Radvak	Regency Gold Corp. (NEX) Monitor Ventures Inc. (NEX)
Ernest S. Wong	None

Note:

(1) The NEX board of the Exchange.

Orientation and Continuing Education

Management will ensure that a new appointee to the Board receives the appropriate written materials to fully apprise him or her of the duties and responsibilities of a director pursuant to applicable law and policy. Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of the Company's business will be necessary and relevant to each new director.

Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance objectives and goals. In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

Given the Company's current stage of development and size, the Board is of the view that it functions effectively as a committee of the whole with respect to the nomination of directors. The entire Board will assess potential nominees and take responsibility for selecting new directors. Any nominees are expected to be generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President of the Company.

The Company's Articles include a provision requiring advance notice of the nomination of persons to act as directors of the Company. Under this provision, subject only to the *Business Corporations Act* (British Columbia), nominations of persons for election to the Board may be made at any annual general meeting of shareholders, or at any special general meeting of shareholders if one of the purposes for which the special general meeting was called was the election of directors:

(a) by or at the direction of the Board including pursuant to a notice of meeting,

(b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act* (British Columbia) or a requisition of the shareholders made in accordance with the provisions of the *Business Corporations Act* (British Columbia) or

(c) by any person (a "Nominating Shareholder") who

(i) at the close of business on the date of the giving of the notice of nomination and on the record date for notice of such meeting, is entered in the central securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting, and

(ii) complies with the notice procedures set out in the advance notice provision, including without limitation that such notice must be provided to the Company

(A) in the case of an annual general meeting of shareholders, not more than 60 days and not less than 35 days prior to the date of the annual general meeting of shareholders (but if the annual general meeting of shareholders is called for a date that is less than 50 days after the date on which the first public announcement of the date of the annual general meeting was made (the "Notice Date"), notice by the Nominating Shareholder may be made not later than the close of business on the 10th business day following the Notice Date); and

(B) in the case of a special general meeting (which is not also an annual general meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th business day following the day on which the first public announcement of the date of the special general meeting of shareholders was made.

Compensation

The Company does not have a Compensation Committee. Compensation matters for the Company's directors and officers are dealt with by the entire Board, including compensation of the Board itself. Factors that are taken into consideration when making compensation decisions include:

- the financial resources available or expected to be available to the Company;
- comparative compensation levels for companies of similar size in the biopharmaceutical industry;
- the capabilities of individual contributors to the Company's success; and
- the reasonable compensation expectations of the individual contributor.

Other Board Committees

The only Board committee of the Company is the Audit Committee.

Assessments

The Board annually reviews its own performance and effectiveness. Neither the Company nor the Board has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board is of the view that the Company's corporate governance practices are appropriate and effective for the Company, given its relatively small size and limited operations. The Company's method of corporate governance allows for the Company to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excessive administrative burden.

PLAN OF DISTRIBUTION

The Offering

Pursuant to the Agency Agreement dated February 19, 2019, between the Company and the Agent, the Company has appointed the Agent to act as its exclusive agent to offer for sale, on a commercially reasonable efforts basis, a minimum of 7,000,000 Offered Shares for gross proceeds of $7,000,000 and a maximum of 10,000,000 Offered Shares for gross proceeds of $10,000,000. The price of the Offered Shares was determined by negotiation between the Company and the Agent.

The Agent, or registered sub-agents who assist the Agent in the distribution of the Offered Shares offered hereunder, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by the Company and accepted by the Agent in accordance with the conditions contained in the Agency Agreement and subject to the approval of certain legal matters, on behalf of the Company by Northwest Law Group, and on behalf of the Agent by Alexander Holburn Beaudin + Lang LLP. Subscriptions for Offered Shares will be payable in cash to the Company against delivery of certificates representing the Offered Shares. Subscriptions for Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

The obligations of the Agent under the Agency Agreement may be terminated by it at its discretion on the basis of its assessment of the state of the financial markets and may also be terminated in certain stated circumstances and upon the occurrence of certain stated events.

The directors, officers and other insiders of the Company may purchase Offered Shares pursuant to the Offering.

The Offered Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws, and accordingly the Offered Shares may not be offered or sold in the United, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Agent may offer and resell the Offered Shares in the United States to persons who are "accredited investors", that satisfy one or more of the criteria set forth in Rule 501(a) of Regulation D under the U.S. Securities Act (each an "Accredited Investor") or to persons who are both Accredited Investors and "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), and in each case pursuant to Rule 506(b) of Regulation D. The Agent has agreed in the Agency Agreement that it will offer and sell the Offered Shares outside the United States only in accordance with Regulation S under the U.S. Securities Act. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered Shares in the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Shares in the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made other than in accordance with an exemption from such registration requirements.

Any Offered Shares offered and sold the United States will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act. Certificates issued representing such securities (if any) may bear a legend to the effect that the securities represented thereby are not registered under the U.S. Securities Act or any applicable United States state securities laws and may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and any applicable United States state securities laws.

Terms used and not defined in the two preceding paragraphs shall have the meanings ascribed thereto by Regulation S under the U.S. Securities Act.

Minimum Subscription and Conditions of Closing

Closing of the Offering is subject to conditions which are set out in the Agency Agreement. The principal conditions are the following:

- A minimum of 7,000,000 Offered Shares for gross proceeds of $7,000,000 must be sold under the Offering; and
- The Exchange must approve the Common Shares for listing. Listing of the Common Shares will be subject to the Company fulfilling all of the listing requirements and conditions of the Exchange. The listing conditions of the Exchange include, among other things, that at least 20% of the issued and outstanding Common Shares be held by members of the public following the Offering. The Company expects that this requirement will be met if the Offering is completed.

All subscription proceeds will be paid to the Agent in trust, and held by the Agent in trust, pending completion of the Offering and fulfillment of the other conditions set out in the Agency Agreement. The Agent will release those funds to the Company on closing of the Offering. If a minimum of 7,000,000 Offered Shares for gross proceeds of $7,000,000 are not subscribed for, the Agent must return all funds received to the subscribers without any deductions.

Completion of the Offering is subject to the sale of the Offered Shares on or before 90 days after the issuance of the final receipt for the final Prospectus respecting the Offering, unless an amendment to the final Prospectus is filed and a receipt for the amendment is issued, in which case the latest date that the distribution is to remain open is 90 days after the date of issuance of a receipt for the amendment, and in any event no later than 180 days from the date of the receipt for the final Prospectus. All funds received from subscriptions will be held by the Agent. If the Offering is not subscribed for in such period, the funds will be returned to the subscribers.

Agent's Compensation

In consideration for its services in connection with the Offering, the Company has agreed to pay to the Agent the Commission of 7% of the gross proceeds of the Offering and a corporate finance fee of $40,000 (plus GST). The Company has also agreed to grant to the Agent the Agent's Option, entitling the Agent to purchase that number of Common Shares (the "Agent's Option Shares") equal to 7% of the number of Offered Shares sold pursuant to the Offering at a price of $1.00 per Agent's Option Share for a period of two years following listing of the Offered Shares on the Exchange.

This Prospectus qualifies the issuance of the Agent's Option. Any Agent's Option Shares acquired by the Agent pursuant to the exercise of the Agent's Option may be resold by the Agent without further qualification through the facilities of the Exchange at the market price at the time of the sale. The Company will not receive any of the proceeds from the sale of any such securities by the Agent.

The Company has also agreed to reimburse the Agent for its expenses and legal fees and disbursements incurred in connection with the Offering and has paid a retainer of $25,000 toward the Agent's estimated expenses.

In addition, provided that the Offering is completed, the Company has granted the Agent the right of first refusal, on terms no less favourable than otherwise available to the Company, to lead any future brokered equity financing of the Company (or its successors) for 12 months following completion of the Offering.

Listing Application

The Exchange has conditionally approved the listing of the Common Shares and the Company has delivered a Listing Agreement dated February 4, 2019 to the Exchange. Listing will be subject to the Company fulfilling all of the requirements of the Exchange on or before May 2, 2019, including distribution of the Offered Shares to a minimum number of public shareholders.

As at the date of this Prospectus, the Company is an "IPO Venture Issuer" (defined under National Instrument 41-101– *General Prospectus Requirements* as an issuer that: (a) files a long form Prospectus; (b) is not a reporting issuer in any jurisdiction immediately before the date of the final long form Prospectus; and (c) at the date of the Prospectus, does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on (i) the Toronto Stock Exchange, (ii) a United States marketplace, or (iii) a marketplace outside of Canada and the United States, other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

RISK FACTORS

An investment in the Offered Shares involves a high degree of risk and should be considered speculative. It should only be undertaken by those persons who can afford the total loss of their investment. Investors should carefully consider the risks and uncertainties set forth below, as well as other information detailed in the Management Discussion & Analysis for the period from inception to December 31, 2017, included as Appendix "B".

The risks and uncertainties below are not the only ones the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company believes to be immaterial may also adversely affect the Company's business. If any of the following risks occur, the Company's business, financial condition and results of operations could be seriously harmed and investors could lose all or part of their investment. Further, if the Company fails to meet the expectations of the public market in any given period, the market price of the Common Shares could decline.

- The Company operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of the Company's control.

- NervGen does not have any sources of product revenue and will not be able to maintain operations and research and development without sufficient funding.

- The Company does not expect to generate positive cash flow from operations for the foreseeable future. It is expected that negative cash flow from operations will continue until such time, if ever, that the Company receives regulatory approval to commercialize any of the Company's products under development and royalty or milestone revenue from any such products should they exceed its expenses.

- The lead compound is in the pre-clinical development stage and, as a result, NervGen is unable to predict whether it will be able to profitably commercialize such compound as a product.

- NervGen is at an early stage of development. Significant additional investment will be necessary to complete the development of any of its products to approval.

- NervGen's future success is dependent primarily on the regulatory approval of a single product.

- If NervGen breaches any of the agreements under which it licenses rights to product candidates or technology from third parties, NervGen can lose license rights that are important to its business. NervGen's current license agreements may not provide an adequate remedy for breach by the licensor.

- Clinical drug development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results and NervGen's product candidates may not have favorable results in later trials or in the commercial setting.

- If NervGen is unable to enroll subjects in clinical trials, it will be unable to complete these trials on a timely basis.

- NervGen relies and will continue to rely on third parties to plan, conduct and monitor preclinical studies and clinical trials, and their failure to perform as required could cause substantial harm to NervGen's business.

- NervGen relies on contract manufacturers over whom it has limited control. If NervGen is subject to regulatory, quality, cost or delivery issues with the preclinical and clinical grade materials supplied by contract manufacturers, business operations could suffer significant harm.

- NervGen relies on third parties for drug delivery technologies, software, catheters and other components over whom it has limited control. If NervGen is subject to regulatory, quality, cost or delivery issues with materials supplied by third parties, NervGen's clinical trials could be significantly delayed.

- NervGen is highly dependent upon certain key personnel and their loss could adversely affect NervGen's ability to achieve its business objectives.

- NervGen may need to form or seek strategic alliances or collaborations or license additional technologies in the future. Such transactions may increase expenditures; NervGen may be unable to form or enter into such

alliances, licenses or collaboration arrangements, and NervGen may not realize the expected benefits of any such transactions.

- If NervGen's competitors develop and market products that are more effective than its existing product candidates or any products that NervGen may develop, or obtain marketing approval before NervGen does, its products may be rendered obsolete or uncompetitive.

- NervGen will be subject to extensive government regulation that will increase the cost and uncertainty associated with gaining final regulatory approval of its product candidates.

- Negative results from clinical trials or studies of others and adverse safety events involving the targets of NervGen's products may have an adverse impact on future commercialization efforts.

- NervGen faces the risk of product liability claims, which could exceed its insurance coverage and produce recalls, each of which could deplete cash resources.

- NervGen may not achieve its publicly announced milestones according to schedule, or at all.

- Changes in government regulations, although beyond NervGen's control, could have an adverse effect on its business.

- NervGen's discovery and development processes involve use of hazardous and radioactive materials which may result in potential environmental exposure.

- If NervGen is unable to successfully develop companion diagnostics or drug delivery technologies for its therapeutic product candidates, or experience significant delays in doing so, NervGen may not achieve marketing approval or realize the full commercial potential of its therapeutic product candidates.

- Significant disruption in availability of key components for ongoing clinical studies could considerably delay completion of potential clinical trials, product testing and regulatory approval of potential product candidates.

- NervGen's success depends upon its ability to protect its intellectual property and proprietary technology.

- NervGen's potential involvement in intellectual property litigation could negatively affect its business.

- NervGen's reliance on third parties requires it to share its trade secrets, which increases the possibility that a competitor will discover them.

- Product liability claims are an inherent risk of NervGen's business, and if its clinical trial and product liability insurance prove inadequate, product liability claims may harm its business.

- NervGen will have significant additional future capital needs and there are uncertainties as to its ability to raise additional funding.

- Future sales or issuances of equity securities or the conversion of securities to Common Shares could decrease the value of the Common Shares, dilute investors' voting power, and reduce earnings per share.

- NervGen is subject to foreign exchange risk relating to the relative value of the United States dollar.

- Any failure to maintain an effective system of internal controls may result in material misstatements of NervGen's consolidated financial statements or cause it to fail to meet the reporting obligations or fail to prevent fraud; and in that case, shareholders could lose confidence in its financial reporting, which would harm the business and could negatively impact the price of Common Shares.

- Any future profits will likely be used for the continued growth of the business and products and will not be used to pay dividends on the issued and outstanding Common Shares.

- The market for shares in Canada is not stable or predictable and shareholder profits are not in the foreseeable future.

- NervGen may pursue other business opportunities in order to develop its business and products.
- Generally, a litigation risk exists for any company that may compromise its ability to conduct its business.
- NervGen's success depends on its ability to effectively manage its growth.

Risks related to the Offering include:

- volatility of share price;
- the Company's lack of history as a public company;
- no current market through which the Common Shares may be sold;
- the Company's discretion concerning the use of proceeds of the Offering;
- the dilution arising from the issuance of the Offered Shares;
- future sales of Common Shares;
- no history of payment of dividends;
- internal controls over financial reporting;
- the Company's prior losses; and
- no history of earnings or revenue and the Company's ability to secure additional financing and further dilution of the Common Shares.

ELIGIBILITY FOR INVESTMENT

In the opinion of Koffman Kalef LLP, tax counsel to the Company, based on the provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "Tax Act") in force as of the date hereof and all proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, the Offered Shares issued pursuant to the Offering, if issued on the date hereof, will be qualified investments for a trust governed by a registered retirement savings plan ("RRSP"), a registered retirement income fund ("RRIF"), a registered education savings plan ("RESP"), a deferred profit sharing plan, a registered disability savings plan ("RDSP") and a tax-free savings account ("TFSA") as each of those terms is defined in the Tax Act, provided that, on the date hereof, the Offered Shares are unconditionally listed on a "designated stock exchange" within the meaning of Tax Act, which includes the Exchange, or the Company is a "public company" as defined in the Tax Act.

Notwithstanding that the Offered Shares may be a qualified investment for a RRSP, RRIF, TFSA, RDSP, or RESP (each a "Registered Plan"), the annuitant of an RRSP or RRIF, the subscriber under an RESP or the holder of a TFSA or RDSP, as the case may be, (the "Controlling Individual") will be subject to a penalty tax in respect of the Offered Shares held in the Registered Plan if the Offered Shares are a "prohibited investment" (as defined in the Tax Act) for the particular Registered Plan. The Offered Shares will be a "prohibited investment" for a Registered Plan if the Controlling Individual (i) does not deal at arm's length with the Company for purposes of the Tax Act, or (ii) has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in the Company. Generally, a Controlling Individual will not be considered to have a "significant interest" in the Company provided that the Controlling Individual, together with persons with whom the Controlling Individual does not deal at arm's length, does not own (and is deemed not to own pursuant to the Tax Act), directly or indirectly, 10% or more of the issued shares of any class of the Company or of any company related to the Company (for purposes of the Tax Act). In addition, the Offered Shares will not be a "prohibited investment" if the Offered Shares are "excluded property" as defined in the Tax Act for a Registered Plan. Purchasers of Offered Shares should consult their own advisors to ensure the Offered Shares would not be a prohibited investment in their particular circumstances.

PROMOTER

William J. Radvak may be considered to be a Promoter of the Company in that he took the initiative in founding, organizing and financing the Company and continues to be active in the management of the Company. Mr. Radvak owns 1,800,000 Common Shares (10.46% of the issued and outstanding Common Shares). Additional information related to Mr. Radvak's compensation and other consideration received by him can be found under "Management Contracts", "Base Salaries and Consulting Fees", "Performance Bonus", Stock Options and Other Compensation Securities and "Summary Compensation, Excluding Compensation Securities".

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Neither the Company nor the intellectual property is or has been the subject of any legal proceedings, penalties or sanctions imposed by a court or regulatory authority, or settlement agreements before a court or regulatory, and no such legal proceedings, penalties or sanctions are known by the Company to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no director, executive officer of the Company or any shareholder beneficially holding or controlling, directly or indirectly, more than 10% of the issued and outstanding Common Shares, or any of their respective associates or affiliates, had any material direct or indirect interest in any transaction within the three years preceding the date of this Prospectus which has materially affected or would materially affect the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are Davidson & Company LLP, Chartered Professional Accountants, #1200 – 609 Granville Street, Vancouver, British Columbia V7Y 1G6.

The registrar and transfer agent for the Common Shares is Computershare Investor Services Inc. in Vancouver, British Columbia. The Company and Computershare Investor Services Inc. have entered into an agreement dated September 16, 2018 (the "Transfer Agent, Registrar and Dividend Disbursing Agent Agreement") governing their respective rights and duties pertaining to this relationship.

MATERIAL CONTRACTS

The only material contracts entered into by the Company within the period from incorporation until the date of this Prospectus, other than contracts entered into in the ordinary course of business, are as follows:

1. The License for the Technology. See "General Development of the Business – The Company's Lead Compound and License – License Overview".

2. The Commission Escrow Agreement and the Exchange Escrow Agreement. See "Escrowed Securities and Securities Subject to Contractual Restriction on Transfer – Escrowed Securities".

3. The Agency Agreement. See "Plan of Distribution – The Offering".

4. The Listing Agreement. See "Plan of Distribution – Listing Application".

5. The Transfer Agent, Registrar and Dividend Disbursing Agent Agreement. See "Auditors, Transfer Agent and Registrar".

6. The IR Agreement. See "Other Material Facts – Investor Relations Agreement".

Copies of the above material contracts will be available for inspection at the registered and records office of the Company, at Northwest Law Group, Suite 704 – 595 Howe Street, Vancouver, British Columbia, V6C 2T5, during regular business hours during the distribution of the Offered Shares and for a period of 30 days thereafter.

EXPERTS

Certain legal matters related to this Offering will be passed upon on behalf of the Company by Northwest Law Group and on behalf of the Agent by Alexander Holburn Beaudin + Lang LLP. Neither of them nor any partner, principal or employee thereof, as applicable, received or has received a direct or indirect interest in the Company or of any associate or affiliate of the Company. As at the date hereof, the aforementioned persons and the partners, principals and employees, as applicable, of each of the aforementioned experts, do not beneficially own, directly or indirectly, any securities of the Company.

None of the aforementioned persons, nor any partner, principal or employee, as applicable, of the aforementioned experts, is currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

The Company's auditors, Davidson & Company LLP, Chartered Professional Accountants, report that they are independent from the Company in accordance with the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

OTHER MATERIAL FACTS

Investor Relations Agreement

Pursuant to a consulting agreement dated January 15, 2019 (the "IR Agreement"), the Company retained Huitt Tracey of Vancouver, British Columbia to provide investor relations services to the Company, including helping to create and disseminate the Company's investor communications materials and providing ongoing investor relations support. The IR Agreement has a term of one year and will automatically renew for successive one year terms until terminated upon 30 days written notice from one party to the other.

Under the IR Agreement, Mr. Tracey is paid a monthly fee of $2,500 and was granted an option to purchase 50,000 Common Shares for five years from the completion of the Offering at a price per share equal to the price per share at which the Offered Shares are sold under the Offering. The option vests, as to 25%, on the earlier of April 1, 2019 and the day on which the Offering is carried out and 25% three, six and 12 months after the first vesting,

Other

There are no material facts relating to the Company or the Offering other than as disclosed herein.

STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces in Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a Prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if this Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of such purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

APPENDIX “A” - NERVGEN FINANCIAL STATEMENTS

Interim Condensed Consolidated Financial statements of

NervGen Pharma Corp.

(Expressed in Canadian Dollars)

(unaudited)

For the three and nine months ended September 30, 2018

NERVGEN PHARMA CORP.

Interim Condensed Consolidated Statements of Financial Position

(Expressed in Canadian dollars) (unaudited)

as at	**September 30, 2018**	December 31, 2017
	$	$
Assets		
Current assets		
Cash	**3,121,534**	-
Accounts receivable	**11,669**	-
Prepaids (Notes 6, 11)	**35,013**	-
	3,168,216	-
Non-current assets		
Intangible assets (Note 7)	**556,349**	-
Deferred acquisition costs (Note 7)	**-**	83,249
	556,349	83,249
	3,724,565	83,249
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 8)	**308,907**	57,497
Due to related parties (Note 11)	**32,462**	37,565
	341,369	95,062
Non-current liabilities		
License fee payable (Note 7)	**129,407**	-
	129,407	-
	470,776	**95,062**
Shareholders' Equity (Deficiency)		
Common shares (Note 9)	**3,846,630**	-
Contributed Surplus (Note 10)	**9,487**	-
Deficit	**(602,328)**	(11,813)
	3,253,789	**(11,813)**
	3,724,565	**83,249**

Nature of business (Note 1)
Subsequent events (Note 13)

Approved by the Board

/s/ William J. Radvak Director *__/s/ Brian E. Bayley__* Director

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

NERVGEN PHARMA CORP.

Interim Condensed Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars) (unaudited)

	For the 3 Months Ended September 30, 2018	For the 3 Months Ended September 30, 2017	**For the 9 Months Ended September 30, 2018**	From Incorporation on January 19, 2017 to September 30, 2017
	$	$	**$**	$
Expenses				
General and administration (Note 12)	**230,301**	3,367	**297,312**	5,432
Research and development (Note 12)	**285,240**	-	**293,203**	-
Net loss and comprehensive loss for the period	**(515,541)**	**(3,367)**	**(590,515)**	**(5,432)**
Basic and diluted net loss per share	**(0.04)**	(1,684)	**(0.12)**	(2,716)
Weighted average common shares outstanding (Note 9)	**12,820,118**	2	**4,986,942**	2

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

NERVGEN PHARMA CORP.

Interim Condensed Consolidated Statement of Cash Flows

(Expressed in Canadian dollars) (unaudited)

	For the 9 Months Ended September 30, 2018	From Incorporation on January 19, 2017 to September 30, 2017
	$	$
Operating activities		
Loss for the period	**(590,515)**	(5,432)
Items not involving cash:		
Amortization of intangible asset	**10,220**	-
Stock based compensation	**9,487**	-
Unrealized foreign exchange	**7,754**	-
Changes in non-cash working capital:		
Accounts receivable	**(11,669)**	-
Prepaid expenses	**(35,013)**	-
Due to related parties	**80,929**	5,432
Accounts payable and accrued liabilities	**180,259**	-
	(348,548)	-
Investing activities		
Payments to acquire intangible asset	**(113,632)**	-
	(113,632)	-
Financing activities		
Proceeds from issuance of common shares	**3,591,468**	-
	3,591,468	-
Effect of foreign exchange on cash	**(7,754)**	-
Net increase in cash	**3,121,534**	-
Cash, beginning of period	**-**	-
Cash, end of period	**3,121,534**	-
	$	$
Cash paid for interest and taxes	-	-
Non-cash transactions:		
Shares issued for intangible asset	169,130	-
Accrual for binding license obligations	200,558	-
Shares issued for settlement of amount due to related parties	86,032	-
Reclassification of deferred acquisition costs to intangible asset	83,249	-

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

NERVGEN PHARMA CORP.

Interim Condensed Consolidated Statement of Changes in Shareholders' Equity (Deficiency)

(Expressed in Canadian dollars) (unaudited)

	Common Shares		Contributed		Total Shareholders'
	Number	Amount	Surplus	Deficit	Equity (Deficiency)
		$	$	$	$
Opening balance January 19, 2017 [(1)]	2	-	-	-	-
Loss and comprehensive loss			-	(5,432)	(5,432)
Balance September 30, 2017	**2**	**-**	**-**	**(5,432)**	**(5,432)**
Loss and comprehensive loss			-	(6,382)	(6,382)
Balance December 31, 2017	**2**	**-**	**-**	**(11,813)**	**(11,813)**
Stock based compensation	-	-	9,487	-	9,487
Common share financings	16,599,998	3,677,500	-	-	3,677,500
Common shares issued for license	601,659	169,130	-	-	169,130
Loss and comprehensive loss	-	-	-	(590,515)	(590,515)
Balance September 30, 2018	**17,201,659**	**3,846,630**	**9,487**	**(602,328)**	**3,253,789**

(1) issued at $0.01 per share

The accompanying notes are an integral part of these financial statements

1. Nature of business

NervGen Pharma Corp. (the "Company" or "NervGen") is a private company incorporated on January 19, 2017 as 1104403 B.C. Ltd. under the *Business Corporations Act* (British Columbia). The name was changed to NervGen Pharma Corp. on November 17, 2017. The corporate office of the Company is Suite 1703, 595 Burrard Street, Vancouver, BC, V7X 1J1, Canada, and the registered office is located at Suite 704, 595 Howe Street, Vancouver, BC, V6C 2T5, Canada.

The Company's principal business activity is the discovery, development and commercialization of pharmaceutical products for the treatment of nerve injuries. NervGen is advancing a drug candidate called NVG-291 initially for the treatment of spinal cord injury while exploiting its technologies to identify additional therapeutic candidates for other related medical conditions.

2. Basis of presentation and significant accounting policies

a) *Statement of compliance*

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

The interim condensed consolidated financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. In addition, these interim condensed consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the parent company, NervGen Pharma Corp. and its wholly owned subsidiary, NervGen US Inc., is the Canadian dollar. The presentation currency of the Company is the Canadian dollar.

The financial statements were approved by the Company's Board of Directors and authorized for issue on February 19, 2019.

b) *Going Concern*

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

Management has forecasted that the Company's current level of cash will not be sufficient to execute its current planned expenditures for the next 12 months without further financing being obtained. The Company is currently in discussion with several potential investors and partners to provide additional funding. Management believes that it will complete one or more of these arrangements in sufficient time to continue to execute its planned expenditures. However, there can be no assurance that the capital will be available as necessary to meet these continuing expenditures, or if the capital is available, that it will be on terms acceptable to the Company. The issuance of common shares by the Company could result in significant dilution in the equity interest of existing shareholders. There can be no assurance that the Company will be able to obtain sufficient financing to meet future operational needs which may result in the delay, reduction or discontinuation of ongoing development programs. As a result, these material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

These interim condensed consolidated 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.

2. Basis of presentation and significant accounting policies cont'd

c) *Functional currency*

Management considers the determination of the functional currency of the Company a significant judgment. Management has used its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and considered various factors including the currency of historical and future expenditures and the currency in which funds from financing activities are generated. A Company's functional currency is only changed when there is a material change in the underlying transactions, events and conditions.

d) *Significant accounting judgements, estimates and assumptions*

The preparation of these interim condensed consolidated 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 interim condensed consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from these estimates.

The interim condensed consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the interim condensed consolidated 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 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 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.

The accompanying interim condensed consolidated financial statements are prepared in accordance with IFRS and follow the same accounting policies and methods of application as the audited consolidated financial statements of the Company for the year ended December 31, 2017, except for the adoption of IFRS 9. They do not include all of the information and disclosures required by IFRS for annual financial statements. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these interim condensed consolidated financial statements. For further information, see the Company's audited financial statements including notes thereto for the year ended December 31, 2017.

e) *New accounting policy*

The following IFRS pronouncement has been adopted during 2018:

The Company has adopted new accounting standard IFRS 9 - Financial Instruments, effective for the Company's annual period beginning January 1, 2018. The adoption of IFRS 9 did not result in any changes to the classification, measurement or carrying amounts of the Company's existing financial instruments on the transition date.

The new standard brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 - Financial instruments: recognition and measurement. The standard retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value.

2. Basis of presentation and significant accounting policies cont'd

The Company classifies and measures its cash at fair value through profit or loss with changes in fair value recognized in profit or loss as they arise ("FVTPL"). Accounts receivables are recognized initially at FVTPL, and subsequently at amortized cost using the effective interest rate method. Accounts payable and accrued liabilities, due to related parties and license fee payable are recognized and measured as financial liabilities, initially at FVTPL, and subsequently at amortized cost using the effective interest rate method.

3. Accounting Standards issued for adoption in future periods

The following IFRS pronouncement has been issued but is not yet effective:

IFRS 16, Leases. In January 2016 the IASB issued IFRS 16 Leases ("IFRS 16") which requires lessees to recognize assets and liabilities for most leases on their statements of financial position. Lessees applying IFRS 16 will have a single accounting model for all leases, with certain exemptions. The new standard will be effective for annual periods beginning on or after January 1, 2019 with limited early application permitted. The Company believes that the adoption of this standard will not have a material impact on the financial statements.

4. Capital disclosures

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, accounts payable and accrued liabilities, due to related parties and license fee payable. The fair value of these instruments, approximate their carry values due to their short-term maturity, with the exception of the license fee payable, which is discounted using a valuation model.

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).

5. Financial risk management cont'd

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.

(b) 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.

(c) 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.

(d) 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 September 30, 2018, the Company's liabilities consist of, accounts payable, accrued liabilities and amounts due to shareholders that have contracted maturities of less than one year. Additionally, it has long term license fee payable of $129,407.

(e) 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 cash balances held in foreign currencies. Fluctuations in the U.S. 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 nine months ended September 30, 2018 of $102,000 (September 30, 2017 - $Nil).

Balances in U.S. dollars are as follows:

	September 30, 2018 $U.S.	December 31, 2017 $U.S.
Cash	**1,054,661**	-
Accounts payable and accrued liabilities	**(266,901)**	-
	787,760	-

6. Prepaid expenses

	September 30, 2018 $	December 31, 2017 $
Prepaid insurance	**1,125**	-
Prepaid consulting to related parties (Note 11)	**33,888**	-
	35,013	-

(Expressed in Canadian Dollars) (unaudited)

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 ("Case Western Reserve") in Cleveland with potential to bring new therapies for spinal cord injury and other conditions associated with nerve damage.

Case Western Reserve 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 on September 13, 2018. This share issuance fulfilled the Company's final requirement to issue anti-dilution shares to Case Western Reserve. No further anti-dilution shares are required to be issued under this agreement.

Case Western Reserve has been granted a pre-emptive right to maintain its percentage ownership and participate in any further financings on the same terms as other investors until the Company completes an initial public offering.

The Company has agreed to reimburse certain past expenses incurred by Case Western Reserve in stages over a period of three years, subject to an acceleration clause, in addition to advance minimum royalty payments escalating over time. As of September 30, 2018, the long term binding portion of these obligations is $129,407.

Additional cash payments are payable to Case Western Reserve pursuant to completion of development and sales milestones and tiered royalties are payable on net sales.

The license costs are being amortized straight-line over a remaining minimum life of the licensed patent of 15 years. During the period ended September 30, 2018, the Company recognized amortization of $10,220 (2017 - $nil).

Continuity of the intangible asset is as follows:

Intangible asset – Case Western Reserve license	Total
Balance, December 31, 2017	**$ -**
Allocation of deferred acquisition costs	83,249
Upfront cash fee	32,920
Legal fees	22,455
Binding acquisition obligations	258,815
Shares issued for acquisition	169,130
Amortization expense	(10,220)
Balance, September 30, 2018	**$ 556,349**

8. Accounts payable and accrued liabilities

	September 30, 2018	December 31, 2017
	$	$
Accounts payable and accrued liabilities	**308,907**	57,497

(Expressed in Canadian Dollars) (unaudited)

9. Share capital

Authorized

Unlimited common shares.

Equity Issuances

Fiscal 2018
The Company issued 16,599,998 common shares for cash proceeds of $3,591,468 and settlement of amounts due to related parties of $86,032. A total of 601,659 common shares were issued for license acquisition, valued at $169,130.

Fiscal 2017
During the period ended December 31, 2017, the Company issued 2 common shares for $0.01 per share.

Calculation of loss per share

Loss per common share is calculated using the weighted average number of common shares outstanding. For the nine months ended September 30, 2018 the calculation was as follows.

	September 30, 2018
Common shares issued and outstanding, beginning of period	2
Shares issued	17,201,657
Common shares issued and outstanding, end of period	**17,201,659**
Weighted average shares outstanding, end of period	**4,986,942**

10. Stock options

During the three and nine months ended September 30, 2018 the Company granted stock options to purchase 350,000 common shares exercisable at $0.50 per share, with a 5-year life and a fair value of $126,000 using the Black-Scholes option pricing model. 200,000 options vest 25% on the earlier of IPO and April 1, 2019 and 25% on each anniversary thereafter, 50,000 options vest 100% on the earlier of IPO and April 1, 2019 and 100,000 options vest 50% on the earlier of IPO and April 1, 2018 and 50% on August 21, 2019.

During the nine months ended September 30, 2018, the Company recognized $9,487 in share based compensation expense.

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

	For the nine months ended	
	2018	2017
Risk-free interest rate	1.75%	-
Expected option life in years	5 years	-
Expected stock price volatility	94%	-
Expected forfeiture rate	15%	-

(Expressed in Canadian Dollars) (unaudited)

10. Stock options cont'd

The following is a summary of stock options activities:

	Number of shares issuable pursuant to options	Weighted average exercise price
Outstanding at December 31, 2017	-	$ -
Granted	350,000	$ 0.05
Outstanding at September 30, 2018	350,000	$ 0.05
Exercisable	-	-

11. Related party disclosures

Key management personnel, consisting of the Company's officers (Founder, President and Secretary) and directors, received the following compensation for the following periods:

	Nine months ended September 30,		Three months ended September 30,	
	2018	2017	**2018**	2017
	$	$	**$**	$
Consulting fees	**101,396**	30,000	**71,675**	5,000
Salaries	**40,569**	-	**40,568**	-
Stock option expense	**5,646**	-	**5,646**	-
Related party rent	**650**	-	**650**	-
	148,261	30,000	**118,539**	5,000

As at September 30, 2018, the Company had amounts owing or accrued to related parties of $32,462 (2017 - $37,565) pertaining to rent, consulting fees, expense reimbursements and bonuses.

Prepaid expenses to related parties are disclosed in Note 6.

12. Components of expenses

	Nine months ended September 30,		Three months ended September 30,	
	2018	2017	**2018**	2017
	$	$	**$**	$
General and Administration Expenses				
Amortization expense	**10,220**	-	**9,537**	-
Facilities and operations	**25,348**	-	**21,826**	-
Legal, professional and finance	**181,911**	5,432	**120,459**	3,367
Salaries and benefits	**54,013**	-	**53,385**	-
Stock based compensation	**7,567**	-	**7,567**	-
Other general and administrative	**18,253**	-	**17,527**	-
	297,312	5,432	**230,301**	3,367

(Expressed in Canadian Dollars) (unaudited)

12. Components of expenses cont'd

	Nine months ended September 30,		Three months ended September 30,	
	2018	2017	**2018**	2017
	$	$	**$**	$
Research and Development Expenses				
Pre-clinical	**150,064**	-	**142,729**	-
Chemistry, manufacturing and controls	**69,647**	-	**69,647**	-
Salaries and benefits	**70,561**	-	**69,934**	-
Stock based compensation	**1,920**	-	**1,920**	-
Other research and development	**1,011**	-	**1,010**	-
	293,203	-	**285,240**	-

13. Subsequent events

Subsequent to September 30, 2018, the Company:

- Entered into an agency agreement with Haywood Securities Inc. ("Haywood"), to act as lead agent for the Company in connection with a planned initial public offering of common shares ("IPO") and concurrent listing of the common shares of the Company on the TSX Venture Exchange. The Company has committed to pay Haywood a corporate finance fee of $40,000 in cash, of which $25,000 was paid in October 2018. Haywood will also be reimbursed for legal fees and other disbursements, not to exceed $60,000 without approval by the Company. On successful completion of the IPO, Haywood will also be entitled to a cash fee equal to 7% of the gross proceeds from the sale, and an agent compensation option entitling Haywood to purchase that number of common shares of the Company equal to 7% of the number of shares sold by it pursuant to the offering with an exercise price per share equal to the issue price of the shares sold in the offering. The agent compensation option will have a term of 24 months from the closing date.

- Granted options to purchase 1,050,000 common shares of the Company to the five directors, an executive officer and six consultants. All stock options are exercisable at a price of $1.00 per share, or such other price per share at which the Company shall carry out the planned IPO of its shares; are exercisable on or before the fifth anniversary of the date on which the IPO is carried out, and vest over varying periods of up to approximately three years from the IPO date.

Financial statements of

NervGen Pharma Corp.

(formerly 1104403 B.C. Ltd)

(Expressed in Canadian Dollars)

For the period from incorporation on January 19, 2017 to December 31, 2017

INDEPENDENT AUDITORS' REPORT

To the Directors of
NervGen Pharma Corp. (formerly 1104403 B.C. Ltd.)

We have audited the accompanying financial statements of NervGen Pharma Corp. (formerly 1104403 B.C. Ltd.), which comprise the statement of financial position as at December 31, 2017, and the statement of loss and comprehensive loss, changes in shareholders' equity (deficiency) and cash flows for the period from incorporation on January 19, 2017 to December 31, 2017, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of NervGen Pharma Corp. (formerly 1104403 B.C. Ltd.) as at December 31, 2017, and its financial performance and its cash flows for the period from incorporation on January 19, 2017 to December 31, 2017 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 (b) in the financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about NervGen Pharma Corp.'s (formerly 1104403 B.C. Ltd.) ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Professional Accountants

February 19, 2019

NERVGEN PHARMA CORP.

(formerly 1104403 B.C. Ltd)

Statement of Financial Position

(Expressed in Canadian dollars)

as at	December 31, 2017
	$
Assets	
Non-current assets	
Deferred acquisition costs (Note 11)	83,249
	83,249
Liabilities	
Current liabilities	
Accounts payable and accrued liabilities (Note 7)	57,497
Due to related parties (Notes 9)	37,565
	95,062
Shareholders' Equity (Deficiency)	
Common shares (Note 8)	-
Deficit	(11,813)
	(11,813)
	83,249

Nature of business (Note 1)

Subsequent events (Note 11)

Approved by the Board

/s/ William J. Radvak Director *</s/ Brian E. Bayley* Director

The accompanying notes are an integral part of these financial statements

NERVGEN PHARMA CORP.

(formerly 1104403 B.C. Ltd)

Statement of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	Period from Incorporation on January 19, 2017 to December 31, 2017 $
Expenses	
Professional fees	**8,084**
Office & administration	**3,729**
Loss and comprehensive loss for the period	**(11,813)**
Basic and diluted loss per share	**(5,907)**
Weighted average common shares outstanding (Note 8)	**2**

The accompanying notes are an integral part of these financial statements

NERVGEN PHARMA CORP.

(formerly 1104403 B.C. Ltd)

Statement of Cash Flows

(Expressed in Canadian dollars)

	Period from Incorporation on January 19, 2017 to December 31, 2017 $
Operating activities	
Loss for the period	(11,813)
Changes in non-cash working capital:	
Accounts payable and accrued liabilities	8,566
Due to related parties	3,247
	-
Net increase (decrease) in cash	**-**
Cash, beginning of period	-
Cash, end of period	**-**
Cash paid for interest and taxes	$ -
Non-cash transactions	
Deferred acquisition costs in accounts payable	$ 83,249

The accompanying notes are an integral part of these financial statements

NERVGEN PHARMA CORP.

(formerly 1104403 B.C. Ltd)

Statement of Changes in Shareholders' Equity (Deficiency)

(Expressed in Canadian dollars)

	Common Shares		Additional		Total Shareholders'
	Number	Amount	Paid-In Capital	Deficit	Equity (Deficiency)
		$	$	$	$
Opening balance January 19, 2017 (1)	2	-	-	-	-
Loss and comprehensive loss	-	-	-	(11,813)	(11,813)
Balance December 31, 2017	**2**	**-**	**-**	**(11,813)**	**(11,813)**

(1) issued at $0.01 per share

The accompanying notes are an integral part of these financial statements

1. Nature of business

NervGen Pharma Corp. (the "Company" or "NervGen") is a private company incorporated on January 19, 2017 as 1104403 B.C. Ltd. under the *Business Corporations Act* (British Columbia). The name was changed to NervGen Pharma Corp. on November 15, 2017. The corporate office of the Company is Suite 1703, 595 Burrard Street, Vancouver, BC, V7X 1J1, Canada, and the registered office is located at Suite 704, 595 Howe Street, Vancouver, BC, V6C 2T5, Canada.

The Company's principal business activity is the discovery, development and commercialization of pharmaceutical products for the treatment of nerve injuries. NervGen is advancing a drug candidate called NVG-291 initially for the treatment of spinal cord injury while exploiting its technologies to identify additional therapeutic candidates for other related medical conditions.

2. Significant accounting policies

a) *Basis of measurement and statement of compliance*

These financial statements have been prepared in accordance 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 financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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

The financial statements were approved by the Company's Board of Directors and authorized for issue on February 19, 2019.

b) *Going Concern*

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

Management has forecasted that the Company's current level of cash will not be sufficient to execute its current planned expenditures for the next 12 months without further financing being obtained. The Company is currently in discussion with several potential investors and partners to provide additional funding. Management believes that it will complete one or more of these arrangements in sufficient time to continue to execute its planned expenditures. However, there can be no assurance that the capital will be available as necessary to meet these continuing expenditures, or if the capital is available, that it will be on terms acceptable to the Company. The issuance of common shares by the Company could result in significant dilution in the equity interest of existing shareholders. There can be no assurance that the Company will be able to obtain sufficient financing to meet future operational needs which may result in the delay, reduction or discontinuation of ongoing development programs. As a result, these material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

These 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.

2. Significant accounting policies cont'd

c) *Foreign currency*

Transactions in foreign currencies are translated to the functional currency at the rate on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the spot rate of exchange as at the reporting date. All differences are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

d) *Research and development costs*

Expenditures on research and development activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, are recognized in profit or loss as incurred. Investment tax credits related to current expenditures are included in the determination of profit or loss as the expenditures are incurred when there is reasonable assurance they will be realized.

Development activities involve a plan or design for the discovery, preclinical and clinical evaluation and manufacturing of new or substantially improved products and processes. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. These criteria will be deemed by the Company to have been met when revenue is received by the Company and a determination that it has sufficient resources to market and sell its product offerings. Upon a determination that the criteria to capitalize development expenditures have been met, the expenditures capitalized will include the cost of materials, direct labor and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditures will be expensed as incurred.

Capitalized development expenditures will be measured at cost less accumulated amortization and accumulated impairment losses. No development costs have been capitalized to date.

e) *Government assistance*

Government grants, including grants from similar bodies, consisting of investment tax credits are recorded as a reduction of the related expense or cost of the asset acquired. Government grants are recognized when there is reasonable assurance that the Company has met the requirements of the approved grant program and there is reasonable assurance that the grant will be received.

Research grants that compensate the Company for expenses incurred are recognized in profit or loss on a systematic basis in the same years in which the expenses are recognized.

Grants that compensate the Company for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the asset.

f) *Intangible assets*

Subsequent to the financial statement date, the Company acquired certain intellectual property licenses. The Company expenses patent costs, including license fees and other maintenance costs, until such time as the Company has certainty over the future recoverability of the intellectual property at which time it capitalizes the costs incurred. The Company will capitalize costs directly related to the acquisition of licensed patents.

2. Significant accounting policies cont'd

The Company does not hold any intangible asset with an indefinite life.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization method and amortization period of an intangible asset with a finite life is reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in general and administrative expenses.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use.

g) *Income taxes*

Current tax and deferred tax are recognized in the Company's profit or loss, except to the extent that it relates to a business combination or items recognized directly in equity.

Current income taxes are recognized for the estimated taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the period end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax assets can be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has been probable that future taxable profit will allow the deferred tax asset to be recovered.

h) *Basic and diluted loss per common share*

Basic loss per share is computed by dividing the loss available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in diluted earnings per share.

i) *Equipment*

The Company capitalizes fixed assets that exceed $2,500 in value.

Depreciation is recognized using the straight-line method based on an expected life of the assets.

2. Significant accounting policies cont'd

Computer equipment	2 years

Impairment of long-lived assets:

The Company's long-lived assets are reviewed for indications of impairment at the date of preparing each statement of financial position. If indication of impairment exists, the asset's recoverable amount is estimated.

An impairment loss is recognized when the carrying value of an asset, or its cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows from other assets or groups of assets. For the purpose of impairment testing, the Company determined it has one cash-generating unit. The recoverable amount is the greater of the asset's fair value less cost to sell and value in use.

j) *Stock-based compensation*

The Company subsequently adopted a stock-based compensation plan (the "Plan") available to officers, directors, employees and consultants with grants under the Plan approved by the Company's Board of Directors. Under the Plan, the exercise price of each option is determined by the Board of Directors. Vesting is provided for at the discretion of the Board of Directors and the expiration of options is to be no greater than 10 years from the date of grant. The Company uses the fair value-based method of accounting for employee awards granted under the Plan. The Company calculates the fair value of each stock option grant using the Black Scholes option pricing model at the grant date. The stock-based compensation cost of the options is recognized as stock-based compensation expense over the relevant vesting period of the stock options using an estimate of the number of options that will eventually vest.

Stock options awarded to non-employees are accounted for at the fair value of the goods received or the services rendered. The fair value is measured at the date the Company obtains the goods or the date the counterparty renders the service. If the fair value of the goods or services cannot be reliably measured, the fair value of the options granted will be used.

k) *Financial instruments*

Financial assets

The Company's financial assets are expected to be comprised of cash and accounts receivable. All financial assets are initially recorded at fair value plus directly attributable transaction costs except for fair value through profit or loss where costs are expensed and designated upon inception into one of four categories: at fair value through profit or loss, held-to maturity, available-for-sale, or loans and receivables.

Subsequent to initial recognition, the financial assets are measured in accordance with the following:

2. Significant accounting policies cont'd

- Financial assets classified as fair value through profit or loss are measured at fair value. All gains and losses resulting from changes in their fair value are included in the profit or loss in the period in which they arise. The Company has classified its cash as fair value through profit or loss.
- Held-to-maturity investments, and loans and receivables are initially measured at fair value and subsequently measured at amortized cost. Amortization of premiums or discounts and transaction costs are amortized into profit or loss, using the effective interest method less any impairment.
- Available-for-sale financial assets are measured at fair value, with unrealized gains and losses recorded in other comprehensive income until the asset is sold, at which time they will be recorded in profit or loss. Significant or prolonged declines in the fair value of available-for-sale financial assets are recorded in profit or loss.
- Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses, with gains and losses recognized in profit or loss in the period that the asset is derecognized or impaired. Receivables are classified as loans and receivables.

The Company assesses at each reporting period date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset or the group of financial assets have been negatively impacted.

Financial liabilities

The Company's financial liabilities are comprised of accounts payable and accrued liabilities. All financial liabilities are initially recorded at fair value and designated upon inception as fair value through profit or loss or other liabilities.

Subsequent to initial recognition, the financial liabilities are measured in accordance with the following:

1. Financial liabilities classified as other liabilities are initially recognized at fair value net of any transaction costs. After initial recognition, other liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable and accrued liabilities and amounts due to shareholders are classified as other liabilities.
2. Financial liabilities classified as fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as fair value through profit or loss are recognized through the profit or loss. At December 31, 2017, the Company had not classified any financial liabilities as fair value through profit or loss.

2. Significant accounting policies cont'd

l) *Warrants issued in equity financing transactions*

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and to explore and evaluate additional product development opportunities. These equity financing transactions may involve issuance of common shares together with warrants. Depending on the terms and conditions of each of the equity financing transactions, the warrants are exercisable into additional common shares at a price prior to expiry as stipulated in the transaction Warrants are assigned a value, based on the residual value, if any, and included in reserves. Warrants that are issued as payment for agency or finders' fees or other transaction costs are accounted for as share-based payments.

3. Key sources of estimation uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are accounted for prospectively.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities are discussed below:

Deferred taxes

The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts, and therefore do not necessarily provide certainty as to their recorded values.

Valuation of stock-based compensation and warrants

Management will measure the costs for stock-based compensation and warrants using market-based option valuation techniques. Assumptions are made and estimates are used in applying the valuation techniques. These include estimating the future volatility of the share price, expected dividend yield, expected risk-free interest rate, future employee turnover rates, future exercise behaviors and corporate performance. Such estimates and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates of stock-based compensation and warrants.

Intangible assets

The Company estimates the useful lives of intangible assets from the date they are available for use in the manner intended by management and periodically reviews the useful lives to reflect management's intent about developing and commercializing the assets.

Functional currency

Management considers the determination of the functional currency of the Company a significant judgment. Management has used its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and considered various factors including the currency of historical and future expenditures and the currency in which funds from financing activities are generated. A Company's functional currency is only changed when there is a material change in the underlying transactions, events and conditions.

4. Accounting Standards

No new standards, amendments to standards, or interpretations which may have a material impact on the Company's financial statements have taken effect or have been applied in preparing these financial statements during the period January 19, 2017 to December 31, 2017.

The following IFRS pronouncements have been issued but are not yet effective:

IFRS 9, Financial Instruments. In October 2010, the IASB published amendments to IFRS 9 Financial Instruments ("IFRS 9") which provides added guidance on the classification and measurement of financial assets and liabilities. In July 2014, the IASB issued its final version of IFRS 9, which completes the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement.

IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as de-recognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

The final standard is mandatorily effective for annual periods beginning on or after January 1, 2018, with earlier application permitted. The Company believes that the adoption of this standard will not have a material impact on the financial statements.

IFRS 16, Leases. In January 2016 the IASB issued IFRS 16 Leases ("IFRS 16") which requires lessees to recognize assets and liabilities for most leases on their statements of financial position. Lessees applying IFRS 16 will have a single accounting model for all leases, with certain exemptions. The new standard will be effective for annual periods beginning on or after January 1, 2019 with limited early application permitted. The Company believes that the adoption of this standard will not have a material impact on the financial statements.

5. Capital disclosures

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.

6. Financial risk management

(a) Fair value

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

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.

6. Financial risk management cont'd

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).

The Company classifies its financial assets and liabilities depending on the purpose for which the financial instruments were acquired, their characteristics, and management intent as outlined below:

Accounts payable, accrued liabilities and amounts due to shareholders have been classified as other financial liabilities.

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.

(b) 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.

(c) 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.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company as at December 31, 2017 has had its most pressing financial obligations, primarily for consulting and professional services, settled by its founding shareholders, and moving forward shall be settled out of cash. The ability to do so relies on the Company maintaining sufficient cash in excess of anticipated needs. As at December 31, 2017, the Company's liabilities consist of, accounts payable, accrued liabilities and amounts due to shareholders that have contracted maturities of less than one year.

(e) 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 will be exposed to currency risk from employee costs as well as the purchase of goods and services primarily in the United States. Fluctuations in the US dollar exchange rate could have a significant impact on the Company's results moving forward.

(Expressed in Canadian Dollars)

7. Accounts Payable and Accrued Liabilities

	December 31, 2017
	$
Accounts payable and accrued liabilities	57,497

8. Share Capital

Authorized

Unlimited common shares.

Equity Issuances

Period January 19, 2017 to December 31, 2017

On January 19, 2017 and as at December 31, 2017 there were two shareholders of the Company each issued 1 share for $0.01 per share.

a) *Calculation of loss per share*

Loss per common share is calculated using the weighted average number of common shares outstanding. For the period from January 19, 2017 to December 31, 2017 the calculation was as follows:

	December 31, 2017
Common shares issued and outstanding, beginning of period	2
Shares issued	-
Weighted average shares outstanding, end of period	2
Common shares issued and outstanding, end of period	2

9. Related party disclosures

(a) Key management personnel

Key management personnel, consisting of the Company's officers (President and Secretary) and directors, received the following compensation:

	December 31, 2017
	$
Consulting fees included in deferred acquisition costs	**30,953**

The Company paid or accrued $30,953 in consulting fees to Robert G. Pilz or a Company controlled by Robert Pilz, Secretary of the Company.

(Expressed in Canadian Dollars)

9. Related party disclosures cont'd

(b) Amounts payable to related parties

As at December 31, 2017, the Company had amounts owing to related parties of $37,565 related to expense reimbursements.

10. Income taxes

a) Provision for Income Tax

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	December 31, 2017
	$
Loss before income taxes	(11,813)
Tax rate	26%
Expected tax recovery	(3,000)
Change in unrecognized deductible temporary difference	3,000
	-

b) Deferred income tax

	December 31, 2017
	$
Non-capital losses carry-forward	3,000
Unrecognized deferred tax asset	3,000

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included in the consolidated statements of financial position are as follows:

Type	Amount	Expiry
Non-capital losses carry-forward	$ 12,000	2037

11. Subsequent Events

Subsequent to December 31, 2017 the Company:

- Completed a non-brokered private placement through the issuance of 6,999,998 common shares to founders at a price of $0.01 per share for gross cash proceeds of $40,500, and settlement of due to related parties of $29,500.
- Incorporated a wholly owned U.S. subsidiary named NervGen US Inc. in the state of Delaware.

11. Subsequent events cont'd

- Completed a non-brokered private placement through the issuance of 3,975,000 common shares at a price of $0.20 per share for gross cash proceeds of $738,468 and settlement of due to related parties of $56,532.

- Entered into an exclusive worldwide licensing agreement, to research, develop and commercialize a patented technology, with Case Western Reserve University ("Case Western Reserve") in Cleveland with potential to bring new therapies for spinal cord injury and other conditions associated with nerve damage. Case Western Reserve was also issued 439,000 common shares of the Company. Case Western Reserve has a pre-emptive right to maintain its shareholding interest by participating in any further financings on the same terms as the other investors until the Company completes an initial public offering. As of December 31, 2017, the Company has incurred acquisition costs related to this license of $83,249. Additional cash payments are payable pursuant to completion of development milestones. Tiered royalties are payable on net sales with additional sales milestone payments due to Case Western Reserve.

- Adopted a stock option plan per Note 2(j) and granted options to purchase 350,000 common shares of the Company to a director, an executive and two employees. All stock options are exercisable at a price of $0.50 and vest over varying periods of up to 3 years.

- Completed a non-brokered private placement through the issuance of 5,625,000 common shares at a price of $0.50 per share for gross cash proceeds of $2,812,500.

- Issued to Case Western Reserve an additional 162,659 common shares. This share issuance fulfilled the Company's final requirement to issue anti-dilution shares to Case Western Reserve.

- Entered into an agency agreement with Haywood Securities Inc. ("Haywood"), to act as lead agent for the Company in connection with a planned initial public offering of common shares ("IPO") and concurrent listing of the common shares of the Company on the TSX Venture Exchange. The Company has committed to pay Haywood a corporate finance fee of $40,000 in cash, of which $25,000 was paid in October 2018. Haywood will also be reimbursed for legal fees and other disbursements, not to exceed $60,000 without approval by the Company. On successful completion of the IPO, Haywood will also be entitled to a cash fee equal to 7% of the gross proceeds from the sale, and an agent compensation option entitling Haywood to purchase that number of common shares of the Company equal to 7% of the number of shares sold by it pursuant to the offering with an exercise price per share equal to the issue price of the shares sold in the offering. The agent compensation option will have a term of 24 months from the closing date.

- Granted options to purchase 1,050,000 common shares of the Company to the five directors, an executive officer and six consultants. All stock options are exercisable a price of $1.00 per share, or such other price per share at which the Company shall carry out the planned IPO of its shares; are exercisable on or before the fifth anniversary of the date on which the IPO is carried out, and vest over varying periods of up to approximately three years from the IPO date.

APPENDIX "B" - NERVGEN A MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis of

NervGen Pharma Corp.

(Expressed in Canadian Dollars)

For the Three and Nine Months Ended September 30, 2018

Effective Date: February 19, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion is management's assessment and analysis of the results of operations and financial conditions of NervGen Pharma Corp. (the "Company" or "NervGen") and should be read in conjunction with the accompanying unaudited condensed consolidated financial statements and related notes thereto for the period ended September 30, 2018.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

This MD&A includes certain statements that may be deemed "forward-looking statements". Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "project", "predict", "potential", "could", "might", "should" and other similar expressions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include continued availability of capital and financing, general economic, market or business conditions, and general risks involved in the early stage development of pharmaceutical products. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements in this MD&A include, but are not limited to, statements with respect to the Company's:

- requirements for, and the ability to obtain, future funding on favorable terms or at all;
- business strategy;
- expected future loss and accumulated deficit levels;
- projected financial position and estimated cash burn rate;
- expectations about the timing of achieving milestones and the cost of the Company's development programs;
- observations and expectations regarding the effectiveness of its lead compound NVG-291 and the potential benefits to patients;
- expectations about the timing with respect to commencement of clinical trials;
- expectations about the Company's products safety and efficacy;
- expectations regarding the Company's ability to arrange for the manufacturing of the Company's products and technologies;
- expectations regarding the progress and successful and timely completion of the various stages of the regulatory approval process;
- ability to secure strategic partnerships with larger pharmaceutical and biotechnology companies;
- strategy to acquire and develop new products and technologies and to enhance the safety and efficacy of existing products and technologies;
- plans to market, sell and distribute the Company's products and technologies;
- expectations regarding the acceptance of the Company's products and technologies by the market;
- ability to retain and access appropriate staff, management, and expert advisers;
- expectations with respect to existing and future corporate alliances and licensing transactions with third parties, and the receipt and timing of any payments to be made by the Company or to the Company in respect of such arrangements; and
- strategy and ability with respect to the protection of the Company's intellectual property

all as further and more fully described under the section of this MD&A titled. "Risks and Uncertainties" Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Any forward-looking statements represent the Company's estimates only as of the date of this MD&A and should not be relied upon as representing the Company's estimates as of any subsequent date. The Company undertakes no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as may be required by securities laws.

COMPANY OVERVIEW

NervGen Pharma Corp. is a private company incorporated on January 19, 2017 as 1104403 B.C. Ltd. under the *Business Corporations Act* (British Columbia). The name was changed to NervGen Pharma Corp. on November 15, 2017. The corporate office of the Company is Suite 1703, 595 Burrard Street, Vancouver, BC, V7X 1J1, Canada.

On June 25, 2018 the Company entered into an exclusive worldwide licensing agreement to research, develop and commercialize a patented technology with potential to bring new therapies for spinal cord injury and other conditions associated with nerve damage. The technology was developed in the laboratory of Dr. Jerry Silver, a leading spinal cord injury and regenerative medicine researcher at Case Western Reserve University. Dr. Silver's research has implicated protein tyrosine phosphatase sigma ("PTPσ') as a key neural receptor which inhibits nerve regeneration through regions of scarring in spinal cord injury and other medical conditions. Targeted treatment against PTPσ with an agent known as Intracellular Sigma Peptide ("ISP") promoted regeneration of damaged nerves and functional improvement in animal models for various medical conditions. A series of receptor antagonists that can be delivered systemically have been identified including an analogue of ISP, NVG-291, that is structurally similar but slightly different in composition, and is ready for clinical development. NervGen plans to advance NVG-291 into the clinic for the treatment of spinal cord injury while leveraging the technology to identify additional therapeutic candidates for other related medical conditions.

Proposed Transaction

On February 19, 2019, the Company entered into an agency agreement with Haywood Securities Inc. ("Haywood"), to act as lead agent for the Company in connection with a planned initial public offering of common shares ("IPO") and concurrent listing of the common shares of the Company on the TSX Venture Exchange. The Company has committed to pay Haywood a corporate finance fee of $40,000 in cash, of which $25,000 was paid in October 2018. Haywood will also be reimbursed for legal fees and other disbursements, not to exceed $60,000 without approval by the Company. On successful completion of the IPO, Haywood will also be entitled to a cash fee equal to 7% of the gross proceeds from the sale, and an agent compensation option entitling Haywood to purchase that number of common shares of the Company equal to 7% of the number of shares sold by it pursuant to the offering with an exercise price per share equal to the issue price of the shares sold in the offering. The agent compensation option will have a term of 24 months from the closing date.

SELECTED FINANCIAL INFORMATION

	Nine months ended September 30		**Three months ended September 30**	
	2018	2017	**2018**	2017
	$	**$**	**$**	$
General and administration expenses	**297,312**	5,432	**230,301**	3,367
Research and development expenses	**293,203**	-	**285,240**	-
Net loss	**(590,515)**	(5,432)	**(515,541)**	(3,367)
Basic and diluted loss per share	**(0.12)**	(2,716)	**(0.04)**	(1,683)
Total assets	**3,724,565**	50,970	**3,724,565**	50,970
Total liabilities	**470,776**	56,402	**470,776**	56,402

The Company has not earned revenue other than income from interest earned on its cash balances.

For the nine months ended September 30, 2018, the Company reported a net loss of $590,515 or $0.12 per share compared to a loss of $5,432 or $2,716 per share for the nine months ended September 30, 2017. For the three months ended September 30, 2018, the Company reported a net loss of $515,541 or $0.04 per share compared to a loss of $3,367 or $1,683 per share for the three months ended September 30, 2017. The increase in net loss in the three and nine months ended September 30, 2018 compared with the three and nine months ended September 30, 2017 is a result of increased legal and consulting fees associated with completing negotiations of the license with Case Western Reserve University, and the proposed transaction. General and administrative expenses also increased in the current period related to the setup of operations and the employees and consultants necessary to begin to execute on the Company's business plans. Research and development costs were incurred in the current period for the further development and manufacture of NVG-291 for use in pre-clinical testing and associated consulting. NervGen is working toward conducting a clinical trial for its lead compound NVG-291, planned to begin in the first half of 2020 under an Investigational New Drug ("IND") application with the United States Food and Drug Administration (the "FDA") planned for submission in late 2019.

RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018

General and Administrative Expenses

	Nine months ended September 30		Three months ended September 30	
	2018	2017	**2018**	2017
	$	$	**$**	$
Amortization of intangible asset	**10,220**	-	**9,537**	-
Facilities and operations	**25,348**	-	**21,826**	-
Legal, professional and finance	**181,911**	5,432	**120,459**	3,367
Salaries and benefits	**54,013**	-	**53,385**	-
Stock based compensation	**7,567**	-	**7,567**	-
Other general and administrative	**18,253**	-	**17,527**	-
	297,312	**5,432**	**230,301**	3,367

General and administrative expenses of $297,312 were incurred during the nine months ended September 30, 2018, compared with $5,432 during the nine months ended September 30, 2017. In the three months ended September 30, 2018, expenses of $230,301 were incurred compared to $3,367 during the three months ended September 30, 2017. The increase is attributed primarily to professional and consulting fees associated with the setup of the organization and execution of equity financings. In addition, employees and consultants were added to implement the Company's business plans, resulting in an increase in consulting, salary and benefit costs in the current period.

Research and Development Expenses

	Nine months ended September 30		Three months ended September 30	
	2018	2017	**2018**	2017
	$	$	**$**	$
Pre-clinical development	**150,064**	-	**142,729**	-
Chemistry, manufacturing and controls	**69,647**	-	**69,647**	-
Salaries and benefits	**70,561**	-	**69,934**	-
Stock based compensation	**1,920**	-	**1,920**	-
Other research and development	**1,011**	-	**1,010**	-
	293,203	-	**285,240**	-

Research and development expenses of $293,203 and $285,240 were incurred during the nine months and three months ended September 30, 2018, respectively. The expenses related primarily to the further development and manufacture of NVG-291 for use in pre-clinical testing, and associated consulting fees. Employees and consultants were also added to execute the Company's business objectives. There was no comparable spending during the three or nine months ended September 30, 2017.

SUMMARY OF QUARTERLY FINANCIAL RESULTS

	Sep. 30 2018	June 30 2018	Mar. 31 2018	Dec. 31 2017	Sep. 30 2017	June 30 2017	Jan.19-Mar. 31 2017
	$	$	$	$	$	$	$
General & administration	**230,301**	56,387	10,624	6,382	3,367	453	1,611
Research & development	**285,240**	7,963	-	-	-	-	-
Net loss	**(515,541)**	(64,350)	(10,624)	(6,382)	(3,367)	(453)	(1,611)
Basic & diluted loss per share	**(0.04)**	(0.04)	(5,312)	(3,190)	(1,683)	(227)	(806)
Total assets	**3,724,565**	1,232,790	83,320	83,249	50,970	31,446	10,000
Total liabilities	**470,776**	366,778	105,759	95,062	56,402	33,511	11,612

General and administrative expenses are higher in the current quarters compared with the same quarters in the prior year due to legal, accounting and related administrative activities associated with establishing an operating company and

financings. Research and development expenses are higher in the current quarters compared with the same quarters in the prior year, due to the development and manufacture of NVG-291, associated consulting and the addition of employees.

LIQUIDITY AND CAPITAL RESOURCES

Since inception, the Company devoted its resources to evaluating and securing intellectual property rights and licenses related to the PTPσ technology licensed from Case Western Reserve University on June 25, 2018, and has begun to establish the initial personnel and processes required to execute on its business plan. This has resulted in an accumulated deficit at $602,328 as of September 30, 2018. With current income only consisting of interest earned on excess cash, losses are expected to continue while the Company's research and development programs are advanced.

The Company does not earn any revenues from its drug candidates and is therefore considered to be in the development stage. As required, the Company will continue to finance its operations through the sale of equity or pursue non-dilutive funding sources available to the Company in the future. The continuation of its research and development activities and the commercialization of NVG-291 and other compounds is dependent upon the Company's ability to successfully finance and complete its research and development programs through equity financing and possibly revenues from strategic partners. The Company has no current sources of significant revenues from strategic partners.

Management has forecasted that the Company's current level of cash will not be sufficient to execute its current planned expenditures for the next 12 months without further financing being obtained. The Company is planning an IPO and, on November 19, 2018, filed a preliminary prospectus with the securities regulators in British Columbia, Alberta and Ontario to conduct a financing. On November 23, 2018, the Company applied to list its shares for trading on the TSX Venture Exchange. Management believes that it will complete one or more financings in sufficient time to continue to execute its planned expenditures. However, there can be no assurance that the capital will be available as necessary to meet these continuing expenditures, or if the capital is available, that it will be on terms acceptable to the Company. The issuance of common shares by the Company could result in significant dilution in the equity interest of existing shareholders. There can be no assurance that the Company will be able to obtain sufficient financing to meet future operational needs which may result in the delay, reduction or discontinuation of ongoing development programs. As a result, there is a substantial doubt as to whether the Company will be able to continue as a going concern and realize its assets and pay its liabilities as they fall due.

CASH POSITION

The Company completed three non-brokered private placements of common shares during the 9 months ended September 30, 2018 raising cash proceeds totaling $3,591,468. At September 30, 2018, the Company had a cash balance of $3,121,534 compared to $Nil at December 31, 2017. The funds expended of $469,934 were used as follows: $113,632 to secure the Company's license with Case Western Reserve University for research, development and commercialization of patented PTPσ technologies, and $356,302 (net of working capital changes and effects of foreign exchange) to fund operating expenditures as the Company began to build its management team and engage key consultants to further develop and execute plans to further develop its PTPσ technologies.

The Company will invest cash in excess of current operational requirements in highly rated and liquid instruments.

Working capital at September 30, 2018 was $2,826,847 (December 31, 2017: deficiency of $95,062).

The Company does not expect to generate positive cash flow from operations for the foreseeable future due to additional R&D expenses, including expenses related to drug discovery, preclinical testing, clinical trials, chemistry, manufacturing and controls ("CMC"), regulatory activities and operating expenses associated with supporting these activities. It is expected that negative cash flow from operations will continue until such time, if ever, that the Company receive regulatory approval to commercialize any of its products under development and/or royalty or milestone revenue from any such products should they exceed its expenses.

CONTRACTUAL OBLIGATIONS

The Company enters into research, development and license agreements in the ordinary course of business where the Company receive research services and rights to proprietary technologies. Milestone and royalty payments that may become due under various agreements are dependent on, among other factors, clinical trials, regulatory approvals and ultimately the successful development of a new drug, the outcome and timing of which is uncertain.

Under the exclusive worldwide licensing agreement, with Case Western Reserve University 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 Company cannot reasonably estimate future royalties which may be due upon the regulatory approval of products derived from licensed technologies.

Other than as disclosed below, the Company did not have any contractual obligations relating to long-term debt obligations, capital (finance) lease obligations, operating lease obligations, purchase obligations or other long-term liabilities reflected on its balance sheet as at September 30, 2018:

Anticipated Commitments	Under 1 Year	1-3 years	4-5 years	More than 5 Years	Total
	$	$	$	$	$
Patent licensing costs, minimum annual royalties per license agreements	70,000[(1)]	333,000[(2)]	1,676,000	677,000	2,756,000
Purchase obligations	198,000[(3)]	50,000	-	-	248,000

(1) $70,000 included in accounts payable and accrued liabilities at September 30, 2018.
(2) $127,000 included in accounts payable and accrued liabilities at September 30, 2018.
(3) $52,000 included in accounts payable and accrued liabilities at September 30, 2018.

The Company utilizes temporary office space with terms of less than one year.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no material undisclosed off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on its results of operations, financial condition, revenues or expenses, liquidity, capital expenditures or capital resources that is material to investors.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel, consisting of the Company's officers (Founder, President and Secretary) and directors, received the following compensation for the following periods:

	Nine months ended September 30		Three months ended June 30	
	2018	2017	**2018**	2017
	$	$	**$**	$
William Radvak	**32,500**	-	**29,175**	-
Ernest Wong	**51,965**	-	**40,568**	-
Robert Pilz	**57,500**	30,000	**42,500**	5,000
Earlston Management Corp [(1)]	**650**	-	**650**	-
	142,615	30,000	**112,893**	5,000

(1) Brian E. Bayley, a director of the Company, is a director and the President of Earlston Management Corp.

In addition, during the three and nine months ended September 30, 2018, the Company recognized $5,646 in share-based compensation expense pertaining to related parties.

As at September 30, 2018, the Company had amounts owing to related parties of $32,462 (2017: $37,565) related to rent, fees and expense reimbursements, and prepaid expenses of $33,888 related to prepaid consulting fees.

A portion of the compensation paid to Robert Pilz was issued to a professional services company, Revelation Business Solutions Ltd., which is wholly-owned by Mr. Pilz.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The significant accounting policies of the Company are described in note 2 of the audited financial statements for the year ended December 31, 2017.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates. Critical judgements in applying the Company's accounting policies are detailed in the audited financial statements for the year ended December 31, 2017.

NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS ADOPTED DURING FISCAL 2018

The Company has adopted new accounting standard IFRS 9 - Financial Instruments, effective for the Company's annual period beginning January 1, 2018. The adoption of IFRS 9 did not result in any changes to the classification, measurement or carrying amounts of the Company's existing financial instruments on transition date.

The new standard brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 - Financial instruments: recognition and measurement. The standard retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value.

The Company continues to classify and measure its cash at fair value through profit or loss with changes in fair value recognized in profit or loss as they arise ("FVTPL"). Accounts receivables and dues to related parties are classified initially at FVTPL, and subsequently at amortized cost using the effective interest rate method. Accounts payable and accrued liabilities and license fee payable are classified and measured as financial liabilities, initially at FVTPL, and subsequently at amortized cost using the effective interest rate method.

ACCOUNTING STANDARDS ISSUED FOR ADOPTION IN FUTURE PERIODS

The following IFRS pronouncement has been issued but is not yet effective:

IFRS 16, Leases. In January 2016 the IASB issued IFRS 16 Leases ("IFRS 16") which requires lessees to recognize assets and liabilities for most leases on their statements of financial position. Lessees applying IFRS 16 will have a single accounting model for all leases, with certain exemptions. The new standard will be effective for annual periods beginning on or after January 1, 2019 with limited early application permitted. The Company believes that the adoption of this standard will not have a material impact on the financial statements.

FINANCIAL INSTRUMENTS

(a) Fair Value

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); fair value through other comprehensive income ("FVOCI"); or amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	**September 30 2018**	December 31 2017
		$	$
Cash	FVTPL	**3,121,534**	-
Receivables	Amortized cost	**11,669**	-
Accounts Payable and Accrued Liabilities	Amortized cost	**308,907**	57,497
Due to Related Parties	Amortized cost	**32,462**	37,565
License Fee Payable	Amortized cost	**129,407**	-

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash is measured at fair value using level one as the basis for measurement in the fair value hierarchy. The recorded amounts for accounts receivable, accounts payable and accrued liabilities and due to related parties, approximate their fair value due to their short-term nature.

(b) Financial risk management

The Company's risk exposures and the impact on the Company's consolidated financial instruments are summarized as follows. Its Board of Directors has the overall responsibility for the oversight of these risks and reviews its policies on an ongoing basis to ensure that these risks are appropriately managed.

i. Liquidity Risk
Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next ninety days. The Company is exposed to liquidity risk.

ii. Credit Risk
Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash, receivables, and balances receivable from the government. The Company limits the exposure to credit risk in its cash by only holding its cash with high-credit quality financial institutions in business and/or savings accounts.

iii. Market Risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk: Management has determined that the Company is not exposed to any significant interest rate risks.

(b) Foreign Currency Risk: The Company has identified its functional currency as the Canadian dollar. Transactions are transacted in Canadian dollars and in US dollars. The Company purchases US dollars as needed to pay U.S. denominated expenses. The Company is exposed to currency risk from employee costs as well as the purchase of goods and services, primarily by its 100% owned US subsidiary, in the United States. Fluctuations in the U.S. dollar exchange rate could have a significant impact on the Company's results going forward. 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 period ended September 30, 2018 of $102,000 (December 31, 2017: $Nil).

Balances in US dollars are as follows:

	September 30, 2018	December 31, 2017
	$	$
Cash	**1,054,661**	-
Accounts payable and accrued liabilities	**(266,901)**	-
	787,760	-

(c) Managing capital

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 year. The Company is not subject to any externally imposed capital requirements.

DISCLOSURE OF OUTSTANDING SHARE DATA

The following details the share capital structure as of the date of this MD&A.

	Common Shares Issued and Outstanding	**Common Share Purchase Warrants**	**Common Share Purchase Options**
Balance, January 19, 2017	2	-	-
Balance December 31 2017	2	-	-
Balance, February 19, 2019	**17,201,659**	**-**	**1,400,000**

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of materials fact of omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and these financial statements together with the other financial information included in these filings. The Board of Directors approved the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities.

RISKS AND UNCERTAINTIES

An investment in the common shares of NervGen ("Common Shares") involves a high degree of risk and should be considered speculative. An investment in the Common Shares should only be undertaken by those persons who can afford the total loss of their investment. Investors should carefully consider the risks and uncertainties set forth below, as well as other information described elsewhere in this MD&A. The risks and uncertainties below are not the only ones the Company faces. Additional risks and uncertainties not presently known to NervGen or that NervGen believes to be immaterial may also adversely affect NervGen's business. If any of the following risks occur, NervGen's business, financial condition and results of operations could be seriously harmed and you could lose all or part of your investment. Further, if NervGen fails to meet the expectations of the public market in any given period, the market price of NervGen's common shares could decline. NervGen operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of NervGen's control.

Please refer to its MD&A for the year ended December 31, 2017 for a complete discussion of risks and uncertainties.

- The Company has no sources of product revenue and will not be able to maintain operations and research and development without sufficient funding.

- The Company does not expect to generate positive cash flow from operations for the foreseeable future. It is expected that negative cash flow from operations will continue until such time, if ever, that the Company receives regulatory approval to commercialize any of its products under development and/or royalty or milestone revenue from any such products should they exceed its expenses.
- The lead compound is in the pre-clinical development stage and, as a result, the Company is unable to predict whether the Company will be able to profitably commercialize it as a product.
- The Company is at an early stage of development. Significant additional investment will be necessary to complete the development of any of its products to approval.
- Its future success is dependent primarily on the regulatory approval of a single product.
- The Company may need to form or seek strategic alliances or collaborations or license additional technologies in the future. Such transactions may increase expenditures; NervGen may be unable to form or enter into such alliances, licenses or collaboration arrangements, and NervGen may not realize the expected benefits of any such transactions.
- If the Company breaches any of the agreements under which the Company licenses rights to product candidates or technology from third parties, the Company can lose license rights that are important to its business. Its current license agreements may not provide an adequate remedy for breach by the licensor.
- Clinical drug development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results and its product candidates may not have favorable results in later trials or in the commercial setting.
- If the Company is unable to enroll subjects in clinical trials, the Company will be unable to complete these trials on a timely basis.
- The Company relies and will continue to rely on third parties to plan, conduct and monitor preclinical studies and clinical trials, and their failure to perform as required could cause substantial harm to its business.
- The Company relies on contract manufacturers over whom the Company have limited control. If the Company is subject to regulatory, quality, cost or delivery issues with the preclinical and clinical grade materials supplied by contract manufacturers, business operations could suffer significant harm.
- The Company relies on third parties for drug delivery technologies, software, catheters and other components over whom the Company has limited control. If the Company is subject to regulatory, quality, cost or delivery issues with materials supplied by third parties, its clinical trials could be significantly delayed.
- The Company is highly dependent upon certain key personnel and their loss could adversely affect its ability to achieve its business objectives.
- If its competitors develop and market products that are more effective than its existing product candidates or any products that the Company may develop, or obtain marketing approval before the Company does, its products may be rendered obsolete or uncompetitive.
- The Company will be subject to extensive government regulation that will increase the cost and uncertainty associated with gaining final regulatory approval of its product candidates.
- Negative results from clinical trials or studies of others and adverse safety events involving the targets of its products may have an adverse impact on future commercialization efforts.
- The Company faces the risk of product liability claims, which could exceed its insurance coverage and produce recalls, each of which could deplete cash resources.
- The Company may not achieve its publicly announced milestones according to schedule, or at all.
- Changes in government regulations, although beyond its control, could have an adverse effect on its business.
- Its discovery and development processes involve use of hazardous and radioactive materials which may result in potential environmental exposure.
- If the Company is unable to successfully develop companion diagnostics or drug delivery technologies for its therapeutic product candidates, or experience significant delays in doing so, the Company may not achieve marketing approval or realize the full commercial potential of its therapeutic product candidates.
- Significant disruption in availability of key components for ongoing clinical studies could considerably delay completion of potential clinical trials, product testing and regulatory approval of potential product candidates.
- Its success depends upon its ability to protect its intellectual property and proprietary technology.
- Its potential involvement in intellectual property litigation could negatively affect its business.
- Its reliance on third parties requires us to share its trade secrets, which increases the possibility that a competitor will discover them.
- Product liability claims are an inherent risk of its business, and if its clinical trial and product liability insurance prove inadequate, product liability claims may harm its business.
- The Company will have significant additional future capital needs and there are uncertainties as to its ability to raise additional funding.
- Future sales or issuances of equity securities or the conversion of securities to common shares could decrease

the value of the common shares, dilute investors' voting power, and reduce earnings per share.

- The Company is subject to foreign exchange risk relating to the relative value of the United States dollar.
- Any failure to maintain an effective system of internal controls may result in material misstatements of its consolidated financial statements or cause us to fail to meet the reporting obligations or fail to prevent fraud; and in that case, shareholders could lose confidence in its financial reporting, which would harm the business and could negatively impact the price of its common shares.
- Any future profits will likely be used for the continued growth of the business and products and will not be used to pay dividends on the issued and outstanding shares.
- The market for shares in Canada is not stable or predictable and shareholder profits are not in the foreseeable future.
- The Company may pursue other business opportunities in order to develop its business and/or products.
- Generally, a litigation risk exists for any company that may compromise its ability to conduct its business.
- Its success depends on its ability to effectively manage its growth.
- The Company may be a "passive foreign investment company," which may have adverse United States federal income tax consequences for United States shareholders.
- It may be difficult for non-Canadian investors to obtain and enforce judgments against us because of its Canadian incorporation and presence.

SUBSEQUENT EVENTS

Subsequent to September 30, 2018, the Company:

(1) Entered into an agency agreement with Haywood Securities Inc. ("Haywood"), to act as lead agent for the Company in connection with a planned "IPO and concurrent listing of the common shares of the Company on the TSX Venture Exchange. The Company has committed to pay Haywood a corporate finance fee of $40,000 in cash, of which $25,000 was paid in October 2018. Haywood will also be reimbursed for legal fees and other disbursements, not to exceed $60,000 without approval by the Company. On successful completion of the IPO, Haywood will also be entitled to a cash fee equal to 7% of the gross proceeds from the sale, and an agent compensation option entitling Haywood to purchase that number of common shares of the Company equal to 7% of the number of shares sold by it pursuant to the offering with an exercise price per share equal to the issue price of the shares sold in the offering. The agent compensation option will have a term of 24 months from the closing date.

(2) Granted options to purchase 1,050,000 common shares of the Company to the five directors, an executive officer and six consultants. All stock options are exercisable at a price of $1.00 per share, or such other price per share at which the Company shall carry out the planned IPO of its shares; are exercisable on or before the fifth anniversary of the date on which the IPO is carried out, and vest over varying periods of up to approximately three years from the IPO date.

OTHER INFORMATION

Additional information relating to the Company is available for viewing on the Company's website at www.nervgenpharma.com.

Management's Discussion and Analysis of

NervGen Pharma Corp.

(formerly 1104403 B.C. Ltd)

(Expressed in Canadian Dollars)

For the period from incorporation on January 19, 2017 to December 31, 2017

Effective Date: February 19, 2019

MANAGEMENT'S DISCUSSION & ANALYSIS

The following discussion is management's assessment and analysis of the results of operations and financial conditions of NervGen Pharma Corp. (formerly 1104403 B.C. Ltd.) (the "Company" or "NervGen") and should be read in conjunction with the accompanying financial statements and related notes thereto for the period of incorporation on January 19, 2017 to December 31, 2017.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

This MD&A includes certain statements that may be deemed "forward-looking statements". Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "project", "predict", "potential", "could", "might", "should" and other similar expressions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include continued availability of capital and financing, general economic, market or business conditions, and general risks involved in the early stage development of pharmaceutical products. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Any forward-looking statements represent the Company's estimates only as of the date of this MD&A and should not be relied upon as representing the Company's estimates as of any subsequent date. The Company undertakes no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as may be required by securities laws.

The effective date of this MD&A is February 19, 2019.

COMPANY OVERVIEW

NervGen Pharma Corp. is a private company incorporated on January 19, 2017 as 1104403 B.C. Ltd. under the *Business Corporations Act* (British Columbia). The name was changed to NervGen Pharma Corp. on November 15, 2017. The corporate office of the Company is Suite 1703, 595 Burrard Street, Vancouver, BC, V7X 1J1, Canada.

On June 25, 2018 the Company entered into an exclusive worldwide licensing agreement to research, develop and commercialize a patented technology with potential to bring new therapies for spinal cord injury and other conditions associated with nerve damage. The technology was developed in the laboratory of Dr. Jerry Silver, a leading spinal cord injury and regenerative medicine researcher at Case Western Reserve University. Dr. Silver's research has implicated protein tyrosine phosphatase sigma ("PTPσ") as a key neural receptor which inhibits nerve regeneration through regions of scarring in spinal cord injury and other medical conditions. Targeted treatment against PTPσ with an agent known as Intracellular Sigma Peptide ("ISP") promoted regeneration of damaged nerves and functional improvement in animal models for various medical conditions. A series of receptor antagonists that can be delivered systemically have been identified including an analogue of ISP, NVG-291, that is structurally similar but slightly different in composition, that is ready for clinical development. NervGen plans to advance NVG-291 into the clinic for the treatment of spinal cord injury while leveraging the technology to identify additional therapeutic candidates for other related medical conditions.

The Company has selected December 31 as its fiscal year-end.

ACHIEVEMENTS & HIGHLIGHTS

The following are the achievements and highlights for the Company's first period of incorporation on January 19, 2017 to December 31, 2017 through to the date hereof:

- On January 19, 2017 the Company was incorporated as 1104403 B.C. Ltd under the *Business Corporations Act* (British Columbia) with Harold M. Punnett, and William J. Radvak as the initial shareholders and directors, William J. Radvak as President and Robert G. Pilz as Secretary.

- On November 15, 2017 the Company's name was changed to NervGen Pharma Corp.

- On April 10, 2018, the U.S. patent 9,937,242 entitled "Compositions and Methods for Inhibiting the Activity of LAR Family Phosphatases was issued by the U.S. Patent and Trademark Office. This patent is central to the Company's development and commercialization of protein tyrosine phosphatase sigma ("PTP σ ") technologies and targeted therapies for spinal cord injury and nerve damage.

- On May 16, 2018 the Company increased the number of directors from two to three and appointed Brian Bayley, MBA to the board of directors. Mr. Bayley serves as the President and a director of Earlston Management Corp., a private management company and Executive Chairman of Earlston Investments Corp., a private merchant bank.

- On May 16, 2018 the Company appointed director William J. Radvak, BASc to the role of Executive Chairman. Mr. Radvak is a co-founder of NervGen and has been the CEO and director of multiple startup companies. He was a founder and the CEO of Response Biomedical, a publicly listed medical device company, which he led from its inception to a 90-employee, sales and manufacturing company.

- On May 16, 2018 the Company appointed Robert G. Pilz, CPA BComm as Chief Financial Officer. Mr. Pilz has held CFO and VP Finance positions in three early stage companies including six years at Response Biomedical Corp. a formerly publicly listed medical device company.

- On June 6, 2018 the Company appointed Ernest Wong, PhD MBA, as President & CEO in the place of William Radvak. Dr. Wong was also appointed a director of the Company increasing the number of directors from three to four. Dr. Wong joins NervGen from Accera Inc., a private central nervous systems therapeutic company, where he was responsible for corporate development and business transactions.

- On June 11, 2018 the Company completed a non-brokered private placement through the issuance of 6,999,998 common shares to founders at a price of $0.01 per share for gross cash proceeds of $40,500, and settlement of accounts payable of $29,500.

- On June 11, 2018 the Company incorporated a wholly owned U.S. subsidiary named NervGen US Inc. in the state of Delaware.

- On June 25, 2018 the Company completed a non-brokered private placement through the issuance of 3,975,000 common shares at a price of $0.20 per share for gross cash proceeds of $738,468 and settlement of accounts payable of $56,532.

- On June 25, 2018 the Company entered into an exclusive worldwide licensing agreement, to research, develop and commercialize a patented technology, with Case Western Reserve University ("Case Western Reserve") in Cleveland with potential to bring new therapies for

spinal cord injury and other conditions associated with nerve damage. This includes U.S. Patent 9,937,242 entitled "Compositions and Methods for Inhibiting the Activity of LAR Family Phosphatases which is central to the development and commercialization of NervGen's protein tyrosine phosphatase sigma ("PTPσ") products and targeted therapies for spinal cord injury and nerve damage.

Case Western Reserve was also issued 439,000 common shares of the Company at a deemed value of $0.20 per share. Case Western Reserve has a pre-emptive right to maintain its shareholding interest by participating in any further financings on the same terms as the other investors until the Company completes an initial public offering ("IPO").

- On August 21, 2018 the Company increased the number of directors from four to five and appointed Michael J. Abrams, PhD to the board of directors. Mr. Abrams currently serves on the Board of Directors of TRIUMF Innovations in Vancouver, B.C. Previously, he was the founding President and Chief Executive officer of AnorMED Inc. (1996-2006) and Chief Executive Officer and President at Inimex Pharmaceuticals Inc.

- On September 5, 2018, the board of directors voted to adopt a stock option plan and granted options to purchase 350,000 common shares of the Company to a director, an executive and two employees. All stock options are exercisable at a price of $0.50 and vest over varying periods of up to 3 years. Adoption of the stock option plan and option grants are subject to regulatory and shareholder approvals.

- On September 12, 2018, the Company completed a non-brokered private placement through the issuance of 5,625,000 common shares at a price of $0.50 per share for gross cash proceeds of $2,812,500.

- On September 13, 2018 the Company issued to Case Western Reserve an additional 162,659 common shares at a deemed value of $0.50 per share. This share issuance fulfilled the Company's final requirement to issue anti-dilution shares to Case Western Reserve. No further anti-dilution shares are required to be issued under this or any other existing agreement.

- On January 17, 2019, the Company granted options to purchase 1,050,000 common shares of the Company to the five directors, an executive officer and six consultants. All stock options are exercisable a price of $1.00 per share, or such other price per share at which the Company shall carry out the planned IPO of its shares; are exercisable on or before the fifth anniversary of the date on which the IPO is carried out, and vest over varying periods of up to approximately three years from the IPO date.

- On February 19, 2019, the Company entered into an agency agreement with Haywood Securities Inc. ("Haywood"), to act as lead agent for the Company in connection with a planned IPO and concurrent listing of the common shares of the Company on the TSX Venture Exchange. The Company has committed to pay Haywood a corporate finance fee of $40,000 in cash, of which $25,000 was paid in October 2018. Haywood will also be reimbursed for legal fees and other disbursements, not to exceed $60,000 without approval by the Company. On successful completion of the IPO, Haywood will also be entitled to a cash fee equal to 7% of the gross proceeds from the sale, and an agent compensation option entitling Haywood to purchase that number of common shares of the Company equal to 7% of the number of shares sold by it pursuant to the offering with an exercise price per share equal to the issue price of the shares sold in the offering. The agent compensation option will have a term of 24 months from the closing date.

SELECTED ANNUAL INFORMATION

	December 31, 2017 $	January 19, 2017 $
General and administration expenses	**11,813**	-
Net loss	**(11,813)**	-
Basic and diluted loss per share	**(5,907)**	-
Total assets	**83,249**	
Total liabilities	**95,062**	

RESULTS OF OPERATIONS

Results of Operations for the period January 19, 2017 to December 31, 2017

The Company incurred a loss and comprehensive loss for the period January 19, 2017 to December 31, 2017 of $11,813. All $11,813 of expenses incurred during the period were General and Administrative ("G&A").

SUMMARY OF QUARTERLY RESULTS

	December 31 2017	**September 30 2017**	**June 30 2017**	**January 19 to March 31 2017**
	$	**$**	**$**	**$**
Total revenues	**-**	-	-	-
Net loss	**(6,381)**	(3,367)	(453)	(1,612)
Net loss per share - basic and diluted	**(3,190)**	(1,684)	(227)	(806)

The Company is a pre-clinical development stage company. At this time, any issues of seasonality or market fluctuations have no impact on the financial results of the Company.

FOURTH QUARTER

Expenses in the first quarter were largely related to the incorporation of the Company. The majority of expenses in the third quarter were related to evaluating a potential executive hire. Fourth quarter expenses included accrued audit fees of $6,000.

LIQUIDITY

The Company has working capital deficiency in the amount of $95,062 as at December 31, 2017 (January 19, 2017 - $Nil).

Since inception, the Company has devoted its resources to evaluating and securing related intellectual property rights and licenses to the protein tyrosine phosphatase sigma (PTPσ) technology licensed from Case Western Reserve University on June 25, 2018, which resulted in an accumulated deficit at $11,813 as of December 31, 2017. Losses are expected to continue while the Company's research and development programs are advanced.

The Company does not earn any revenues from its drug candidates and is therefore considered to be in the development stage. As required, the Company will continue to finance its operations through the sale of equity or pursue non-dilutive funding sources available to the Company in the future. The continuation of our research and development activities and the commercialization of its lead compound NVG-291 and other compounds is dependent upon the Company's ability to successfully finance and complete its research and development programs through a combination of equity financing and possibly revenues from strategic partners. The Company has no current sources of significant revenues from strategic partners.

Management has forecasted that the Company's current level of cash will not be sufficient to execute its current planned expenditures for the next 12 months without further financing being obtained. The Company is currently in discussion with several potential investors and partners to provide additional funding. Management believes that it will complete one or more of these arrangements in sufficient time to continue to execute its planned expenditures. However, there can be no assurance that the capital will be available as necessary to meet these continuing expenditures, or if the capital is available, that it will be on terms acceptable to the Company. The issuance of common shares by the Company could result in significant dilution in the equity interest of existing shareholders. There can be no assurance that the Company will be able to obtain sufficient financing to meet future operational needs which may result in the delay, reduction or discontinuation of ongoing development programs. As a result, there is a substantial doubt as to whether the Company will be able to continue as a going concern and realize its assets and pay its liabilities as they fall due.

CASH POSITION

At December 31, 2017, the Company had a cash balance of $Nil compared to $Nil at January 19, 2017. The Company will invest cash in excess of current operational requirements in highly rated and liquid instruments. Working capital at December 31, 2017 was negative $95,062 (January 19, 2017: $Nil).

The Company does not expect to generate positive cash flow from operations for the foreseeable future due to additional R&D expenses, including expenses related to drug discovery, preclinical testing, clinical trials, CMC and operating expenses associated with supporting these activities. It is expected that negative cash flow from operations will continue until such time, if ever, that we receive regulatory approval to commercialize any of our products under development and/or royalty or milestone revenue from any such products should they exceed our expenses.

CONTRACTUAL OBLIGATIONS

The Company enters into research, development and license agreements in the ordinary course of business where we receive research services and rights to proprietary technologies. Milestone and royalty payments that may become due under various agreements are dependent on, among other factors, clinical trials, regulatory approvals and ultimately the successful development of a new drug, the outcome and timing of which is uncertain.

Under the exclusive worldwide licensing agreement, with Case Western Reserve University 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 Company cannot reasonably estimate future royalties which may be due upon the regulatory approval of products derived from licensed technologies.

Other than as disclosed below, we did not have any contractual obligations relating to long-term debt obligations, capital (finance) lease obligations, operating lease obligations, purchase obligations or other long-term liabilities reflected on our balance sheet as at December 31, 2017:

	U.S. Dollar Payments Projected by Period			
Contractual obligations	**2018 $**	**1-3 years $**	**4-5 years $**	**Total $**
Patent licensing costs, minimum annual royalties per license agreements	**69,000**	578,000	1,550,000	2,197,000

The Company utilizes temporary office space with terms of less than one year.

CAPITAL RESOURCES

NervGen's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its technology, and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Company does not have any externally imposed capital requirements to which it is subject.

The Company manages its capital structure, and makes adjustments to it, in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets, or adjust the amount of cash on hand.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.
In order to maximize ongoing technology development efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash on deposit in interest bearing Canadian and US chartered bank accounts, where possible.

There have been no changes to the Company's approach to capital management during the period ended January 19, 2017 to December 31, 2017. The Company is not subject to externally imposed capital requirements.

During the period Company expenses were paid personally by shareholders. The amounts payable to them and other vendors were non-interest bearing and payable upon demand. Subsequent to December 31, 2017 amounts owing to shareholders were applied to the purchase of common shares in the Company. Other amounts payable as at December 31, 2017 were paid from the proceeds of common share financings as described in the Subsequent Events section of the Financial Statements and in this MD&A.

There can be no assurance that additional financing will be available to the Company or, if it is, that it will be available on terms acceptable to the Company and will be sufficient to fund cash needs until the Company acquires an operating business or achieves positive cash flow. The Company currently has no commitments for any credit facilities such as revolving credit agreements or lines of credit that could provide additional working capital.

As at the date of this MD&A, other than as described herein and in the Financial Statements, the Company has no other arrangements for sources of financing.

OFF-BALANCE SHEET ARRANGEMENTS AND PROPOSED TRANSACTIONS

The Company has no off-balance sheet arrangements.

Proposed Transaction

On February 19, 2019, the Company entered into an agency agreement with Haywood Securities Inc. to act as lead agent for the Company in connection with a planned IPO of common shares and concurrent listing of the common shares of the Company on the TSX Venture Exchange. The Company has committed to pay Haywood a corporate finance fee of $40,000 in cash as well as Haywood's legal fees and other disbursements, not to exceed $60,000 without approval by the Company. On successful completion of the IPO, Haywood would also be entitled to a cash fee equal to 7% of the gross proceeds from the sale, and agent compensation options entitling Haywood to purchase common shares of the Company equal to 7% of the common shares sold pursuant to the offering with an exercise price per agent compensation option, equal to the issue price. The agent compensation options will have a term of 24 months from the closing date.

INTELLECTUAL PROPERTY

Following the financial statement date, on June 25, 2018, NervGen entered into a license agreement with respect to intellectual property in the form of filed and issued patents. In order to maintain this agreement, the Company is obligated to pay certain costs based on timing of milestones within the agreements, the timing of which is uncertain. These costs include ongoing license fees, patent prosecution and maintenance costs, royalty and other milestone payments. As at December 31, 2017, prior to the license agreement, the Company has no obligations.

TRANSACTIONS WITH RELATED PARTIES

(a) Key management personnel

Key management personnel, consisting of the Company's officers (President and Secretary) and directors, received the following compensation:

	December 31, 2017
	$
Consulting fees	30,953

The Company paid or accrued $30,953 in consulting fees to Robert G. Pilz or a Company controlled by Robert Pilz, Secretary of the Company.

(b) Amounts payable to related parties

As at December 31, 2017, the Company had amounts owing to related parties of $37,565 related to expense reimbursements.

FINANCIAL INSTRUMENTS AND RELATED RISKS

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); held-to-maturity investments; loans and receivables; available-for-sale; or other liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	**December 31, 2017** **$**	January 19, 2017 $
Cash	FVTPL	**-**	-
Receivables	Loans and receivables	**-**	-
Trade and other payables	Other liabilities	**95,062**	-

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash is measured at fair value using level one as the basis for measurement in the fair value hierarchy. The recorded amounts for receivables, and trade and other payables, approximate their fair value due to their short-term nature.

FINANCIAL RISK MANAGEMENT

The Company's risk exposures and the impact on the Company's consolidated financial instruments are summarized as follows. Our Board of Directors has the overall responsibility for the oversight of these risks and reviews our policies on an ongoing basis to ensure that these risks are appropriately managed.

i. Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's financial liabilities are classified as current and are anticipated to mature within the next ninety days. The Company is exposed to liquidity risk.

ii. Credit Risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash, receivables, and balances receivable from the government. The Company limits the exposure to credit risk in its cash by only holding its cash with high-credit quality financial institutions in business and/or savings accounts.

iii. Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices. These fluctuations may be significant.

(a) Interest Rate Risk: Management has determined that the Company is not exposed to any significant interest rate risks.

(b) Foreign Currency Risk: The Company has identified its functional currency as the Canadian dollar. Transactions are transacted in Canadian dollars and in US dollars. The Company purchases US dollars as needed to pay US denominated expenses. Going forward, the Company is exposed to currency risk from employee costs as well as the purchase of goods and services, primarily by its 100% owned US subsidiary, in the United States. Fluctuations in the US dollar exchange rate could have a significant impact on the Company's results going forward.

DISCLOSURE OF OUTSTANDING SHARE DATA

The following details the share capital structure as of the date of this MD&A.

	Common Shares Issued and Outstanding	Common Share Purchase Warrants	Common Share Purchase Options
Balance, January 19, 2017	2	-	-
Balance December 31 2017	2	-	-
Balance, February 19, 2019	**17,201,659**	**-**	**1,400,000**

NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

No new standards, amendments to standards, or interpretations which may have a material impact on the Company's consolidated financial statements have taken effect or have been applied in preparing these consolidated financial statements during the period January 19, 2017 to December 31, 2017.

NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ISSUED BUT NOT YET ADOPTED

At the date of authorization of these consolidated financial statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which are not yet effective:

i. IFRS 9 'Financial Instruments: Classification and Measurement' is a new financial instruments standard that replaces IAS 39 and IFRIC 9 for classification and measurement of financial assets and financial liabilities. IFRS 9 requires that all financial assets be classified as subsequently measured at amortized cost or at fair value based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are classified as subsequently measured at amortized cost except for financial liabilities classified as at FVTP, financial guarantees and certain other exceptions. The IASB issued amendments to IFRS 9 which deferred the mandatory effective date of IFRS 9 to January 1, 2019. The amendments also provided relief from the requirement to restate comparative financial statements for the effects of applying IFRS 9.

ii. IFRS 16 Leases - The standard is effective for annual periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Company has adopted IFRS 15. This standard sets out a new model for lease accounting.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Accounting policies are described in note 2 of the audited financial statements.

SUBSEQUENT EVENTS

Subsequent to December 31, 2017 the Company:

- Received notice from Case Western Reserve University that U.S. Patent 9,937,242 entitled "Compositions and Methods for Inhibiting the Activity of LAR Family Phosphatases was issued by the U.S. Patent and Trademark Office. This patent is central to the development and commercialization of NervGen's protein tyrosine phosphatase sigma (PTPσ) products and targeted therapies for spinal cord injury and nerve damage.

- Completed a non-brokered private placement through the issuance of 6,999,998 common shares to founders at a price of $0.01 per share for gross cash proceeds of $40,500, and settlement of accounts payable of $29,500.

- Incorporated a wholly owned U.S. subsidiary named NervGen US Inc. in the state of Delaware.

- Completed a non-brokered private placement through the issuance of 3,975,000 common shares at a price of $0.20 per share for gross cash proceeds of $738,468 and settlement of accounts payable of $56,532.

- Entered into an exclusive worldwide licensing agreement, to research, develop and commercialize a patented technology, with Case Western Reserve University ("Case Western Reserve") in Cleveland with potential to bring new therapies for spinal cord injury and other conditions associated with nerve damage. Case Western Reserve was also issued 439,000 common shares of the Company at a deemed value of $0.20 per share. Case Western Reserve has a pre-emptive right to maintain its shareholding interest by participating in any further financings on the same terms as the other investors until the Company completes an IPO. As of December 31, 2017, the Company has incurred acquisition costs related to this license of $83,249.

- Adopted a stock option plan per Note 2(j) and granted options to purchase 350,000 common shares of the Company to a director, an executive and two employees. All stock options are exercisable at a price of $0.50 and vest over varying periods of up to 3 years. Adoption of the stock option plan and option grants are subject to regulatory and shareholder approvals.

- Completed a non-brokered private placement through the issuance of 5,625,000 common shares at a price of $0.50 per share for gross cash proceeds of $2,812,500.

- Issued to Case Western Reserve an additional 162,659 common shares at a deemed value of $0.50 per share. This share issuance fulfilled the Company's final requirement to issue anti-dilution shares to Case Western Reserve. No further anti-dilution shares are required to be issued under this or any other existing agreement.

- Entered into an agency agreement with Haywood Securities Inc. ("Haywood"), to act as lead agent for the Company in connection with a planned IPO and concurrent listing of the common shares of the Company on the TSX Venture Exchange. The Company has committed to pay Haywood a corporate finance fee of $40,000 in cash, of which $25,000 was paid in October 2018. Haywood will also be reimbursed for legal fees and other disbursements, not to exceed $60,000 without approval by the Company. On successful completion of the IPO, Haywood will also be entitled to a cash fee equal to 7% of the gross proceeds from the sale, and an agent compensation option entitling Haywood to purchase that number of common shares of the Company equal to 7% of the number of shares sold by it pursuant to the offering with an exercise price per share equal to the issue price of the shares sold in the offering. The agent compensation option will have a term of 24 months from the closing date.

- Granted options to purchase 1,050,000 common shares of the Company to the five directors, an executive officer and six consultants. All stock options are exercisable a price of $1.00 per share, or such other price per share at which the Company shall carry out the planned IPO of its shares; are exercisable on or before the fifth anniversary of the date on which the IPO is carried out, and vest over varying periods of up to approximately three years from the IPO date.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of materials fact of omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and these financial statements together with the other financial information included in these filings. The Board of Directors approved the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities.

RISKS AND UNCERTAINTIES

An investment in the common shares of NervGen ("Common Shares") involves a high degree of risk and should be considered speculative. An investment in the Common Shares should only be undertaken by those persons who can afford the total loss of their investment. Investors should carefully consider the risks and uncertainties set forth below, as well as other information described elsewhere in this MD&A. The risks and uncertainties below are not the only ones the Company faces. Additional risks and uncertainties not presently known to NervGen or that NervGen believes to be immaterial may also adversely affect NervGen's business. If any of the following risks occur, NervGen's business, financial condition and results of operations could be seriously harmed and you could lose all or part of your investment. Further, if NervGen fails to meet the expectations of the public market in any given period, the market price of NervGen's common shares could decline. NervGen operates in a highly competitive environment that involves significant risks and uncertainties, some of which are outside of NervGen's control.

Risks Related to the Company's Business and the Company's Industry

The Company has no sources of product revenue and will not be able to maintain operations and research and development without sufficient funding.

The Company has no sources of product revenue and cannot predict when or if it will generate product revenue. The Company's ability to generate product revenue and ultimately become profitable depends upon its ability, alone or with partners, to successfully develop the product candidates, obtain regulatory approval, and commercialize products, including any of the current product candidates, or other product candidates that may be developed, in-licensed or acquired in the future. The Company does not anticipate generating revenue from the sale of products for the foreseeable future. The Company expects research and development expenses to increase in connection with ongoing activities, particularly as drug candidates are advanced towards the clinic.

The Company is highly dependent upon certain key personnel and their loss could adversely affect its ability to achieve its business objectives.

The loss of Dr. Ernest Wong, the President and Chief Executive Officer or other key members of the scientific and operating staff could harm the Company. Employment agreements exist with Dr. Wong and other staff although such employment agreements do not guarantee their retention. The Company also depends on scientific, manufacturing and clinical collaborators and advisors, all of whom have outside commitments that may limit their availability. In addition, the Company believes that future success will depend in large part upon its ability to attract and retain highly skilled scientific, managerial,

medical, clinical, manufacturing and regulatory personnel. Agreements have been entered into with scientific, manufacturing and preclinical and clinical collaborators and advisors, key opinion leaders and academic partners in the ordinary course of business as well as with physicians and institutions. Notwithstanding these arrangements, there is significant competition for these types of personnel from other companies, research and academic institutions, government entities and other organizations. The loss of the services of any of the executive officers or other key personnel could potentially harm the Company's business, operating results or financial condition.

The Company may need to form or seek strategic alliances or collaborations or license additional technologies in the future. Such transactions may increase expenditures; NervGen may be unable to form or enter into such alliances, licenses or collaboration arrangements, and NervGen may not realize the expected benefits of any such transactions.

The Company may need to form or seek strategic alliances, create joint ventures or collaborations with third parties, license additional technologies that NervGen believes will complement or augment its development and commercialization efforts with respect to its product candidates and any future product candidates that NervGen may acquire or develop. Any of these transactions and relationships may require the Company to incur non-recurring and other charges, increase its near and long-term expenditures, issue securities that dilute its existing shareholders or disrupt its management and business. These transactions and relationships also may result in a delay in the development of NervGen's product candidates if NervGen becomes dependent upon the other party and such other party does not prioritize the development of NervGen's product candidates relative to its other development activities. In addition, NervGen faces significant competition in seeking appropriate strategic partners and the negotiation process is time-consuming and complex. Moreover, NervGen may not be successful in its efforts to establish a strategic partnership or other alternative arrangements for its product candidates because its product candidates may be deemed to be at too early of a stage of development for collaborative effort and third parties may not view NervGen's product candidates as having the requisite potential to demonstrate safety and efficacy. NervGen cannot be certain that, following a strategic transaction or license, NervGen will achieve the revenue or specific net income that would justify such transaction.

If the Company breaches any of the agreements under which it licenses rights to product candidates or technology from third parties, it can lose license rights that are important to its business. The Company's current license agreements may not provide an adequate remedy for breach by the licensor.

The Company is developing NVG-291 and other PTPσ receptor antagonists and may be developing other early stage pre-clinical and discovery drug candidates pursuant to the license agreement with Case Western Reserve University and potentially others (collectively, the "Licensors"). The Company is subject to a number of risks associated with its collaboration with the Licensors, including the risk that the Licensors may terminate the license agreement upon the occurrence of certain specified events. The license agreement requires, among other things, that the Company makes certain payments and use reasonable commercial efforts to meet certain business, preclinical, clinical and regulatory milestones. If the Company fails to comply with any of these obligations or otherwise breach this or similar agreements, the Licensors or any future licensors may have the right to terminate the license in whole. The Company can also suffer the consequences of non-compliance or breaches by Licensors in connection with the license agreements. Such non-compliance or breaches by such third parties can in turn result in breaches or defaults under the Company's agreements with other collaboration partners, and the Company can be found liable for damages or lose certain rights, including rights to develop and/or commercialize a product or product candidate. Loss of the Company's rights to the licensed intellectual property or any similar license granted to it in the future, or the exclusivity rights provided therein, can harm the Company's financial condition and operating results.

Pre-clinical and clinical drug development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results and the Company's product candidates may not have favorable results in later trials or in the commercial setting.

Pre-clinical and clinical testing is expensive and can take many years to complete, and the outcome is inherently uncertain. Failure can occur at any time during the preclinical testing and clinical trial process. The results of pre-clinical studies and early clinical trials may not be predictive of the results of later-stage clinical trials. Success in pre-clinical or animal studies and early clinical trials does not ensure that later large-scale efficacy trials will be successful nor does it predict final results. Favorable results in early trials may not be repeated in later trials. There is no assurance the FDA, EMA or other similar government bodies will view the results as the Company does or that any future trials of its proposed products for other indications will achieve positive results. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through pre-clinical studies and initial clinical trials.

The Company will be required to demonstrate through larger-scale clinical trials that any potential future product is safe and effective for use in a diverse population before it can seek regulatory approvals for commercial sale of its product. There is typically an extremely high rate of attrition from the failure of product candidates proceeding through preclinical studies and clinical and post-approval trials. If the Company's drug candidates fail to demonstrate sufficient safety and efficacy in ongoing or future preclinical studies and clinical trials, the Company's operations and financial condition will be adversely impacted.

If the Company is unable to enroll subjects in clinical trials, it will be unable to complete these trials on a timely basis.

Patient enrollment, a significant factor in the timing of clinical trials, is affected by many factors including the size and nature of the patient population, the proximity of subjects to clinical sites, the eligibility criteria for the trial, the design of the clinical trial, ability to obtain and maintain patient consents, risk that enrolled subjects will drop out before completion, competing clinical trials and clinicians' and patients' perceptions as to the potential advantages of the drug being studied in relation to other available therapies, including any new drugs that may be approved for the indications the Company is investigating. Furthermore, the Company relies on Contract Research Organizations ("CROs") and clinical trial sites to ensure the proper and timely conduct of its clinical trials, and while it has agreements governing their committed activities, the Company has limited influence over their actual performance.

If the Company experiences delays in the completion or termination of any clinical trial of its proposed products or any future product candidates, the commercial prospects of its product candidates will be harmed and its ability to generate product revenues from any of these product candidates will be delayed. In addition, any delays in completing clinical trials will increase costs, slow down product candidate development and approval process and can shorten any periods during which the Company may have the exclusive right to commercialize its product candidates or allow its competitors to bring products to market before it does. Delays can further jeopardize the Company's ability to commence product sales, which will impair its ability to generate revenues and may harm the business, results of operations, financial condition and cash flows and future prospects. In addition, many of the factors that can cause a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of its proposed products or its future product candidates.

If the Company's competitors develop and market products that are more effective than the Company's existing product candidates or any products that it may develop, or obtain marketing approval before the it does, its products may be rendered obsolete or uncompetitive.

Technological competition from pharmaceutical companies, biotechnology companies and universities is intense and is expected to increase. Many of the Company's competitors and potential competitors

have substantially greater product development capabilities and financial, scientific, marketing and human resources than NervGen does. The Company's future success depends in part on its ability to maintain a competitive position, including the ability to further progress NVG-291 through the necessary pre-clinical and clinical trials towards regulatory approval for sale and commercialization. Other companies may succeed in commercializing products earlier than are NervGen is able to commercialize its products or they may succeed in developing products that are more effective. While the Company will seek to expand its technological capabilities in order to remain competitive, there can be no assurance that developments by others will not render its products non-competitive or that the Company or its licensors will be able to keep pace with technological developments. Competitors have developed technologies that could be the basis for competitive products. Some of those products may have an entirely different approach or means of accomplishing the desired therapeutic effect than the Company's products and may be more effective or less costly than its products. In addition, other forms of medical treatment may offer competition to the products. The success of the Company's competitors and their products and technologies relative to its technological capabilities and competitiveness could have a material adverse effect on the future pre-clinical and clinical trials of its products, including its ability to obtain the necessary regulatory approvals for the conduct of such trials.

The Company relies and will continue to rely on third parties to plan, conduct and monitor preclinical studies and clinical trials, and their failure to perform as required could cause substantial harm to the Company's business.

The Company relies and will continue to rely on third parties to conduct a significant portion of clinical development and planned pre-clinical trial activities. Pre-clinical activities include in vivo, or within the body, studies to specific disease models, pharmacology and toxicology studies, and test development. Clinical development activities include trial design, regulatory submissions, clinical patient recruitment, clinical trial monitoring, clinical data management and analysis, safety monitoring and project management. If there is any dispute or disruption in the Company's relationship with third parties, or if the Company is unable to provide quality services in a timely manner and at a feasible cost, any active development programs could face delays. Further, if any of these third parties fails to perform as expected or if their work fails to meet regulatory requirements, testing could be delayed, cancelled or rendered ineffective.

The Company relies on contract manufacturers over whom the Company has limited control. If the Company is subject to quality, cost or delivery issues with the preclinical and clinical grade materials supplied by contract manufacturers, business operations could suffer significant harm.

The Company has limited manufacturing experience and relies on contract development and manufacturing organizations ("CDMOs"), to manufacture its drug candidates for pre-clinical development and clinical trials. The Company relies on CDMOs for manufacturing, filling, packaging, storing and shipping of drug product in compliance with Current Good Manufacturing Practices ("cGMP") regulations, enforced by the U.S. Food and Drug Administration ("FDA"), applicable to its products. The FDA ensures the quality of drug products by carefully monitoring drug manufacturers' compliance with cGMP regulations. The cGMP regulations for drugs contain minimum requirements for the methods, facilities and controls used in manufacturing, processing and packing of a drug product. The Company currently does not have sufficient quantity of NVG-291 to complete the planned pre-clinical and clinical studies. The Company plans to utilize CDMO's which are licensed by both the FDA and European Medicines Agency ("EMA").

There can be no assurances that the CDMOs selected will be able to meet future timetables and requirements. If the Company is unable to arrange for alternative third-party manufacturing sources on commercially reasonable terms or in a timely manner, it may delay the development of the product candidates. Further, contract manufacturers must operate in compliance with cGMP and failure to do so could result in, among other things, the disruption of product supplies. The Company's dependence upon third parties for the manufacture of its products may adversely affect profit margins and ability to develop and deliver products on a timely and competitive basis.

The Company's future success is dependent primarily on the regulatory approval of a single product.

The Company does not have any products that have gained regulatory approval. Currently, its only drug candidate in the process of being translated toward clinical development is NVG-291. As a result, the Company's near-term prospects, including its ability to finance its operations and generate revenue, are substantially dependent on its ability to obtain regulatory approval for, and, if approved, to successfully commercialize NVG-291 in a timely manner. The Company cannot commercialize NVG-291 or other future product candidates in the United States without first obtaining regulatory approval for the product from the FDA; similarly, it cannot commercialize NVG-291 or other future product candidates outside of the United States without obtaining regulatory approval from comparable foreign regulatory authorities. There can be no assurance regulatory approval will be granted. Before obtaining regulatory approvals for the commercial sale of NVG-291 or other future product candidates for a target indication, the Company must demonstrate with substantial evidence gathered in pre-clinical and clinical studies to the satisfaction of the relevant regulatory authorities, that the product candidate is safe and effective for use for that target indication and that the manufacturing facilities, processes and controls are adequate. Many of these factors are beyond the Company's control. If the Company, or its potential commercialization collaborators, are unable to successfully commercialize NVG-291, the Company may not be able to earn sufficient revenues to continue its business.

The Company's drug candidates are in pre-clinical development and, as a result, the Company cannot predict whether it will be able to profitably commercialize its product.

The Company has not received regulatory approval for the sale of its drug candidates in any market. Accordingly, the Company has not generated any revenues from product sales. A substantial commitment of resources to conduct clinical trials and for additional product development will be required to commercialize all of our product candidates. There can be no assurance that its drug candidates will meet applicable regulatory standards, be capable of being produced in commercial quantities at reasonable cost or be successfully marketed, or that the investment made by the Company in the commercialization of the products will be recovered through sales, license fees or related royalties.

The Company will be subject to extensive government regulation that will increase the cost and uncertainty associated with gaining final regulatory approval of its product candidates.

Securing final regulatory approval for the manufacture and sale of human therapeutic products in the United States, Canada and other markets is a long and costly process that is controlled by that particular country's national regulatory agency. Approval in the United States, Canada, or Europe does not assure approval by other national regulatory agencies, although often test results from one country may be used in applications for regulatory approval in another country. Other national regulatory agencies have similar regulatory approval processes, but each is different.

Prior to obtaining final regulatory approval to market a drug product, every national regulatory agency has a variety of statutes and regulations which govern the principal development activities. These laws require controlled research and testing of products, government review and approval of a submission containing pre-clinical and clinical data establishing the safety and efficacy of the product for each use sought, approval of manufacturing facilities including adherence to Good Manufacturing Practice during production and storage and control of marketing activities, including advertising and labelling. There can be no assurance that the Company's drug candidates will be successfully commercialized in any given country. There can be no assurance that the Company's licensed products will prove to be safe and effective in clinical trials under the standards of the regulations in the various jurisdictions or receive applicable regulatory approvals from applicable regulatory bodies.

The Company's products may become subject to unfavorable pricing regulations, third-party coverage and reimbursement practices or healthcare reform initiatives, thereby having an adverse effect on the Company's business.

Many countries require approval of the sale price of a drug before it can be marketed. In most cases, the pricing review period begins after marketing or product licensing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. Although the Company intends to monitor these regulations, the Company's programs are currently in the early stages of development and the Company will not be able to assess the impact of price regulations for a number of years. As a result, regulatory approval for a product in a particular country may be obtained, but then be subject to price regulations that delay commercial launch of the product and negatively impact the revenues from the sale of the product in that country.

The Company's ability to commercialize any products successfully also will depend in part on the extent to which coverage and adequate reimbursement for these products and related treatments will be available from government health administration authorities, private health insurers and other third-party payors. Additionally, in the United States, no uniform policy of coverage and reimbursement for products exists among third-party payors. Therefore, coverage and reimbursement for products can differ significantly from payor to payor. In many jurisdictions, a product candidate must be approved for reimbursement before it can be approved for sale in that jurisdiction. Obtaining coverage and reimbursement approval of a product from a government or other third-party payor is a time-consuming and costly process that could require the Company to provide to the payor supporting scientific, clinical and cost-effectiveness data for the use of our products. Delay in obtaining or providing of this data may delay or suspend reimbursement approval, negatively impacting the revenues from the sale of the product.

Negative results from clinical trials or studies of others and adverse safety events involving the targets of the Company's products may have an adverse impact on future commercialization efforts

From time to time, studies or clinical trials on various aspects of pharmaceutical products are conducted by academic researchers, competitors or others. The results of these studies or trials, when published, may have a significant effect on the market for the pharmaceutical product that is the subject of the study. The publication of negative results of studies or clinical trials or adverse safety events related to the Company's product candidates, the intended therapeutic target or the therapeutic areas in which the Company's product candidates compete, could adversely affect the share price and ability to finance future development of the Company's product candidates, and the business and financial results could be materially and adversely affected.

The Company faces the risk of product liability claims, which could exceed its insurance coverage and produce recalls, each of which could deplete cash resources.

In the future, when the Company enters human trials, it will be exposed to the risk of product liability claims alleging that use of its product candidates cause an injury or harm. These claims can arise at any point in the development, testing, manufacture, marketing or sale of product candidates and may be made directly by patients involved in clinical trials of product candidates, by consumers or healthcare providers or by individuals, organizations or companies selling the products. Product liability claims can be expensive to defend, even if the product or product candidate did not actually cause the alleged injury or harm.

Insurance covering product liability claims becomes increasingly expensive as a product candidate moves through the development pipeline to commercialization. Currently the Company maintains $100,000 aggregate, and per claim, errors and omissions Insurance and $2 million per occurrence if commercial general liability insurance. However, there can be no assurance that such insurance coverage is or will continue to be adequate or available at a cost acceptable to the Company or at all. The Company may choose or find it necessary under its collaborative agreements to increase the

insurance coverage in the future but may not be able to secure greater or broader product liability insurance coverage on acceptable terms or at reasonable costs when needed. Any liability for damages resulting from a product liability claim could exceed the amount of the coverage, require payment of a substantial monetary award from the Company's cash resources and have a material adverse effect on the business, financial condition and results of operations. Moreover, a product recall, if required, could generate substantial negative publicity about the products and business, inhibit or prevent commercialization of other products and product candidates or negatively impact existing or future collaborations.

The Company may not achieve its publicly announced milestones according to schedule, or at all.

From time to time, the Company may announce the timing of certain events expected to occur, such as the anticipated timing of results from clinical trials. These statements are forward-looking and are based on the best estimates of management at the time relating to the occurrence of such events. However, the actual timing of such events may differ from what has been publicly disclosed. The timing of events such as initiation or completion of a clinical trial, filing of an application to obtain regulatory approval, or announcement of additional clinical trials for a product candidate may ultimately vary from what is publicly disclosed. These variations in timing may occur as a result of different events, including the ability to recruit patients in a clinical trial in a timely manner, the nature of results obtained during a clinical trial or during a research phase, problems with a CDMO or a CRO, or any other event having the effect of delaying the publicly announced timeline. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. Any variation in the timing of previously announced milestones could have a material adverse effect on the business plan, financial condition or operating results and the trading price of the Common Shares.

Changes in government regulations, although beyond the Company's control, could have an adverse effect on the Company's business.

The Company depends upon the validity of its licenses and access to the data for the timely completion of clinical research. Any changes in the drug development regulatory environment or shifts in political attitudes of a government are beyond the Company's control and may adversely affect its business. The Company's business may also be affected in varying degrees by such factors as government regulations with respect to intellectual property, regulation or export controls. Such changes remain beyond the Company's control and the effect of any such changes cannot be predicted. These factors could have a material adverse effect on the Company's ability to further develop its licensed products.

The Company's discovery and development processes involve use of hazardous and radioactive materials which may result in potential environmental exposure.

The Company's discovery and development processes involve the controlled use of hazardous and radioactive materials. The Company, its collaborators, CRO, CDMO, clinical trial sites, academic partners and shippers are subject to federal, provincial, state and local laws and regulations governing the use, manufacture, storage, handling, shipment and disposal of such materials and certain waste products. Although the Company believes that the current safety procedures for handling and disposing of such materials comply with the standards prescribed by such laws and regulations, the risk of accidental contamination or injury from these materials cannot be completely eliminated. In the event of such an accident, the Company could be held liable for any damages that result and any such liability could exceed the Company's resources. The Company is not specifically insured with respect to this liability. Although the Company believes that the Company is in compliance in all material respects with applicable environmental laws and regulations and currently does not expect to make material capital expenditures for environmental control facilities in the near-term, there can be no assurance that the Company will not be required to incur significant costs to comply with environmental laws and regulations in the future, or that the operations, business or assets will not be materially adversely affected by current or future environmental laws or regulations.

If the Company is unable to successfully develop companion diagnostics or biomarkers for its therapeutic product candidates, or experience significant delays in doing so, the Company may not achieve marketing approval or realize the full commercial potential of its therapeutic product candidates.

The Company may develop companion diagnostics or biomarkers for its therapeutic product candidates. It is expected that, at least in some cases, regulatory authorities may require the development and regulatory approval of a companion diagnostic or biomarkers as a condition to approving a therapeutic product candidate. The Company has limited experience and capabilities in developing or commercializing diagnostics or biomarkers and plans to rely in large part on third parties to perform these functions. The Company does not currently have any agreement in place with any third party to develop or commercialize companion diagnostics or biomarkers for any of its therapeutic product candidates.

Companion diagnostics or biomarkers are subject to regulation by the FDA, Health Canada and comparable foreign regulatory authorities and may require separate regulatory approval or clearance prior to commercialization. If the Company, or any third parties that the Company engages to assist, are unable to successfully develop companion diagnostics or biomarkers for the Company's therapeutic product candidates, or experience delays in doing so, the Company's business may be substantially harmed.

Significant disruption in availability of key components for ongoing pre-clinical and clinical studies could considerably delay completion of potential clinical trials, product testing and regulatory approval of potential product candidates.

The Company relies on third parties to supply ingredients and excipients for the manufacture and formulation of its drug candidates. Each of the suppliers of these components in turn need to comply with regulatory requirements. Any significant disruption in supplier relationships could harm the Company's business. Any significant delay in the supply of a component, for a potential ongoing clinical study could considerably delay initiation and completion of potential clinical trials, product testing and regulatory approval of potential product candidates. If the Company or its suppliers are unable to purchase these components after regulatory approval has been obtained for the product candidates, or the suppliers decide not to manufacture these components or provide support for any of the components, clinical trials or the commercial launch of that product candidate would be delayed or there would be a shortage in supply, which would impair the ability to generate revenues from the sale of the product candidates.

Risks Related To Intellectual Property And Litigation

The Company's success depends upon its ability to protect its intellectual property and its proprietary technology.

The Company's success depends, in part, on its ability and its licensors' ability to obtain and maintain patents, maintain trade secrets protection and operate without infringing on the proprietary rights of third parties or having third parties circumvent its rights. The patent position of pharmaceutical and biotechnology firms is uncertain and involves complex legal and financial questions for which, in some cases, certain important legal principles remain unresolved. There can be no assurance that the patent applications made in respect of the owned or licensed products will result in the issuance of patents, that the term of a patent will be extendable after it expires in due course, that the licensors or the institutions that they represent will develop additional proprietary products that are patentable, that any patent issued to the licensors or the Company will provide it with any competitive advantages, that the patents of others will not impede its ability to do business or that third parties will not be able to circumvent or successfully challenge the patents obtained in respect of the licensed products. The cost of obtaining and maintaining patents is high. Furthermore, there can be no assurance that others will not independently develop similar products which duplicate any of the licensed products or, if patents are issued, design around the patent for the product. There can be no assurance that the Company's processes or products or those of its licensors do not or will not infringe upon the patents of third parties

or that the scope of its patents or those of its licensors will successfully prevent third parties from developing similar and competitive products.

Much of the Company's know-how and technology may not be patentable, though it may constitute trade secrets. There can be no assurance, however, that the Company will be able to meaningfully protect its trade secrets. To help protect its intellectual property rights and proprietary technology, the Company requires employees, consultants, advisors, CRO, CDMO and collaborators to enter into confidentiality agreements. There can be no assurance that these agreements will provide meaningful protection for its intellectual property rights or other proprietary information in the event of any unauthorized use or disclosure.

The Company's potential involvement in intellectual property litigation could negatively affect its business.

Its future success and competitive position depend in part upon its ability to maintain the its intellectual property portfolio. There can be no assurance that any patents will be issued on any existing or future patent applications. Even if such patents are issued, there can be no assurance that any patents issued or licensed to the Company will not be challenged. The Company's ability to establish and maintain a competitive position may be achieved in part by prosecuting claims against others who it believes are infringing its rights and by defending claims brought by others who believe that the Company is infringing their rights. In addition, enforcement of its patents in foreign jurisdictions will depend on the legal procedures in those jurisdictions. Even if such claims are found to be invalid, the Company's involvement in intellectual property litigation could have a material adverse effect on its ability to out-license any products that are the subject of such litigation. In addition, its involvement in intellectual property litigation could result in significant expense, which could materially adversely affect the use or licensing of related intellectual property and divert the efforts of its valuable technical and management personnel from their principal responsibilities, whether or not such litigation is resolved in its favour.

The Company's reliance on third parties requires it to share its trade secrets, which increases the possibility that a competitor will discover them.

Because the Company relies on third parties to conduct research and develop its products, it must share trade secrets with them. The Company seeks to protect its proprietary technology in part by entering into confidentiality agreements and, if applicable, material transfer agreements, collaborative research agreements, consulting agreements or other similar agreements with its collaborators, advisors, employees and consultants prior to beginning research or disclosing proprietary information. These agreements typically restrict the ability of the Company's collaborators, advisors, employees and consultants to publish data potentially relating to the Company's trade secrets. The Company's academic collaborators typically have rights to publish data, provided that the Company is notified in advance and may delay publication for a specified time in order to secure its intellectual property rights arising from the collaboration. In other cases, publication rights are controlled exclusively by the Company, although in some cases it may share these rights with other parties. The Company also conducts joint research and development programs which may require it to share trade secrets under the terms of research and development collaboration or similar agreements. Despite the Company's efforts to protect its trade secrets, its competitors may discover its trade secrets, either through breach of these agreements, independent development or publication of information including its trade secrets in cases where the Company does not have proprietary or otherwise protected rights at the time of publication. A competitor's discovery of the Company's trade secrets may impair its competitive position and could have a material adverse effect on its business and financial condition.

Product liability claims are an inherent risk of the Company's business, and moving forward if the Company's clinical trial and product liability insurance prove inadequate, product liability claims may harm its business.

Human therapeutic products involve an inherent risk of product liability claims and associated adverse publicity. There can be no assurance that the Company will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such

insurance is expensive, difficult to obtain and may not be available in the future on acceptable terms, or at all. An inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could have a material adverse effect on the Company's business by preventing or inhibiting the commercialization of its products, licensed and owned, if a product is withdrawn or a product liability claim is brought against the Company.

Other Risks

The Company will have significant additional future capital needs and there is uncertainty as to its ability to raise additional funding.

The Company will require significant additional capital resources to expand its business, in particular the further development of its proposed products. Advancing its product candidates or acquisition and development of any new products or product candidates will require considerable resources and additional access to capital markets. In addition, the Company's future cash requirements may vary materially from those now expected.

The Company can potentially seek additional funding through corporate collaborations and licensing arrangements, through public or private equity or debt financing, or through other transactions. However, if clinical trial results are neutral or unfavorable, or if capital market conditions in general, or with respect to life sciences companies such as NervGen, are unfavorable, the Company's ability to obtain significant additional funding on acceptable terms, if at all, will be negatively affected. Additional financing that it may pursue may involve the sale of the Common Shares or financial instruments that are exchangeable for, or convertible into, the Common Shares, which could result in significant dilution to its shareholders. If sufficient capital is not available, the Company may be required to delay the implementation of its business strategy, which could have a material adverse effect on its business, financial condition, prospects or results of operations.

The liquidity of the Common Shares is limited which can result in a reduction in the Company's ability to raise capital. As a significant portion of the Company's operations will probably be financed through the sale of equity securities a decline in the price of the Common Shares could be especially detrimental to liquidity.

Future sales or issuances of equity securities or the conversion of securities to common shares could decrease the value of the common shares, dilute investors' voting power, and reduce earnings per share.

The Company may sell additional equity securities in future offerings, including through the sale of securities convertible into equity securities, to finance operations, acquisitions or projects, and issue additional common shares if outstanding securities are converted to common shares, which may result in dilution.

The Company's board of directors will have the authority to authorize certain offers and sales of additional securities without the vote of, or prior notice to, shareholders. Based on the need for additional capital to fund expected expenditures and growth, it is likely that the Company will issue additional securities to provide such capital.

Sales of substantial amounts of securities, or the availability of such securities for sale, as well as the issuance of substantial amounts of common shares upon conversion of outstanding convertible equity securities, could adversely affect the prevailing market prices for securities and dilute investors' earnings per share. A decline in the future market prices of the Company's securities could impair its ability to raise additional capital through the sale of securities should it desire to do so.

The Company may pursue other business opportunities in order to develop its business and/or products.

From time to time, the Company may pursue opportunities for further research and development of other products. The Company's success in these activities will depend on its ability to identify suitable technical experts, market needs, and effectively execute any such research and development opportunities. Any research and development would be accompanied by risks as a result of the use of business efforts and funds. In the event that the Company chooses to raise debt capital to finance any such research or development opportunities, its leverage will be increased. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with any research or development opportunities.

Generally, a litigation risk exists for any company that may compromise its ability to conduct the Company's business.

All industries are subject to legal claims, with and without merit. Defense and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

The Company's success depends on its ability to effectively manage its growth.

The Company may be subject to growth-related risks including pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require the Company to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. Inability to deal with this growth could have a material adverse impact on its business, operations and prospects. The Company may experience growth in the number of its employees and the scope of its operating and financial systems, resulting in increased responsibilities for its personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Company will also need to continue to implement and improve its operational, financial and management information systems and to hire, train, motivate, manage and retain its employees. There can be no assurance that the Company will be able to manage such growth effectively, that its management, personnel or systems will be adequate to support its operations or that the Company will be able to achieve the increased levels of revenue commensurate with the increased levels of operating expenses associated with this growth.

The Company is likely a "passive foreign investment company," which may have adverse United States federal income tax consequences for United States shareholders.

United States investors should be aware that the Company believes it was classified as a passive foreign investment company ("PFIC"), during the tax year ended December 31, 2017, and based on current business plans and financial expectations, the Company expects that it will be a PFIC for the current tax year and may be a PFIC in future tax years. If the Company is a PFIC for any year during a United States shareholder's holding period of the Common Shares, then such United States shareholder generally will be required to treat any gain realized upon a disposition of the Common Shares, or any so-called "excess distribution" received on the Common Shares, as ordinary income, and to pay an interest charge on a portion of such gain or distributions, unless the shareholder makes a timely and effective "qualified electing fund" election ("QEF Election"), or a "mark-to-market" election with respect to the Common Shares. A United States shareholder who makes a QEF Election generally must report on a current basis its share of the Company's net capital gain and ordinary earnings for any year in which the Company is a PFIC, whether or not the Company distribute any amounts to its shareholders. A United States shareholder who makes the mark-to-market election generally must include as ordinary income each year the excess of the fair market value of the Common Shares over the shareholder's adjusted tax basis therein. Each United States shareholder should consult its own tax advisors regarding the PFIC rules and the United States federal income tax consequences of the acquisition, ownership and disposition of the Common Shares.

It may be difficult for non-Canadian investors to obtain and enforce judgments against the Company because of the Company's Canadian incorporation and presence.

The Company is a corporation existing under the laws of the Province of British Columbia, Canada. Several of the Company's directors and officers, and several of the experts are residents of Canada, and all or a substantial portion of their assets, and a substantial portion of the Company's assets, are located outside the United States. Consequently, although the Company has appointed an agent for service of process in the United States, it may be difficult for holders of the Company's securities who reside in the United States to effect service within the United States upon those directors and officers, and the experts who are not residents of the United States. It may also be difficult for holders of the Company's securities who reside in the United States to realize in the United States upon judgments of courts of the United States predicated upon the Company's civil liability and the civil liability of the Company's directors, officers and experts under the United States federal securities laws. Investors should not assume that Canadian courts (i) would enforce judgments of United States courts obtained in actions against the Company or such directors, officers or experts predicated upon the civil liability provisions of the United States federal securities laws or the securities or "blue sky" laws of any state or jurisdiction of the United States or (ii) would enforce, in original actions, liabilities against the Company or such directors, officers or experts predicated upon the United States federal securities laws or any securities or "blue sky" laws of any state or jurisdiction of the United States. In addition, the protections afforded by Canadian securities laws may not be available to investors in the United States.

Significant disruptions of information technology systems or security breaches could adversely affect the Company's business.

The Company are increasingly dependent upon information technology systems, infrastructure and data to operate its business. In the ordinary course of business, the Company collect, store and transmit large amounts of confidential information (including, among other things, trade secrets or other intellectual property, proprietary business information and personal information). It is critical that the Company do so in a secure manner to maintain the confidentiality and integrity of such confidential information. The Company also have outsourced elements of its operations to third parties, and as a result the Company manage a number of third-party vendors who may or could have access to the Company's confidential information. The size and complexity of the Company's information technology systems, and those of third-party vendors with whom the Company contract, and the large amounts of confidential information stored on those systems, make such systems vulnerable to service interruptions or to security breaches from inadvertent or intentional actions by our employees, third-party vendors, and/or business partners, or from cyber-attacks by malicious third parties. Cyber-attacks could include the deployment of harmful malware, ransomware, denial-of-service attacks, social engineering and other means to affect service reliability and threaten the confidentiality, integrity and availability of information.

OTHER INFORMATION

Additional information relating to the Company is available for viewing on the Company's website at www.nervgenpharma.com.

CERTIFICATE OF THE COMPANY

February 19, 2019

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

The Company:

(signed) Ernest S. Wong
Chief Executive Officer

(signed) Robert G. Pilz
Chief Financial Officer

On behalf of the Board of Directors

(signed) William J. Radvak
Director

(signed) Brian E. Bayley
Director

CERTIFICATE OF THE PROMOTER

February 19, 2019

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

(signed) William J. Radvak
Promoter

CERTIFICATE OF THE AGENT

February 19, 2019

To the best of our knowledge, information and belief, this Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of British Columbia, Alberta and Ontario.

HAYWOOD SECURITIES INC.

(signed) Beng Lai
Managing Director