



PRESS RELEASE

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CHITOGENX ANNOUNCES UP TO \$4.35 MILLION PRIVATE PLACEMENT PURSUANT TO THE LISTED ISSUER EXEMPTION

Kirkland, Quebec, February 9, 2023 – ChitogenX Inc. (CSE: CHGX) (OTCQB: CHNXF) (the “Company” or “ChitogenX”) is pleased to announce a best efforts private placement (the “Offering”) of 19,333,333 units (the “Units”) of the Company at a price of \$0.225 per Unit (the “Issue Price”) for gross proceeds of up to \$4,350,000, subject to a minimum of \$3,000,000 pursuant to the listed issuer financing exemption available under Part 5A of National Instrument 45-106 – Prospectus Exemptions (“NI 45-106”). There is an offering document relating to the Offering that can be accessed under the Company’s profile at www.sedar.com and at chitogenx.com. Prospective investors should read this offering document before making an investment decision.

In addition, the Company announces that it is undertaking, concurrent with the Offering, a non-brokered private placement of up to 7,777,777 Units on the same terms as the Offering, for gross proceeds of up to \$1,750,000 (the “Concurrent Private Placement”). The closing of the Offering is conditional upon the closing of the Concurrent Private Placement.

Each Unit will consist of one class A share of the Company (each, a “Share”) and one share purchase warrant of the Company (each whole share purchase warrant, a “Warrant”). Each Warrant will entitle the holder to purchase one Share of the Company (each, a “Warrant Share”) at a price of \$0.35 per Warrant Share at any time on or before the date which is 60 months after the closing date of the Offering (the “Closing Date”), subject to adjustment in certain events. If, at any time following the date that is 6 months following the Closing Date, the daily volume weighted average trading price of the Shares on the Canadian Securities Exchange is greater than \$0.50 per Share for the preceding 10 consecutive trading days, the Company shall have the right to accelerate the expiry date of the Warrants to a date that is at least 30 days following the date of such notice to holders of Warrants.

The Offering will be conducted by Echelon Capital Markets (“Echelon”) as lead agent and sole bookrunner, on behalf of a syndicate of agents (collectively, the “Agents”).

The Company has granted the Agents an option to arrange for the sale of up to an additional 15% of the Units at the Issue Price. The Agents’ Option may be exercised in whole or in part at any time up to 48 hours prior to the Closing Date (the “Agents’ Option”), subject to limitations prescribed by the LIFE exemption.

The Company will use the net proceeds of the Offering to complete enrollment of our Rotator Cuff Tear Repair U.S. phase I/II clinical trial program, and for working capital and general corporate purposes.

At the closing of the Offering, the Company shall pay to the Agents a cash commission equal to 8.0% of the gross proceeds of the Offering (including any exercise of the Agents’ Option) and will issue to the Agents a number of non-transferable warrants of the Company (the “Broker Warrants”) equal to 8.0% of the number of Units sold under the Offering, each Broker Warrant exercisable for a period of 24 months following the closing of the Offering to acquire a Unit at an exercise price equal to the Issue Price, subject to adjustment in certain events. A reduced cash commission of 4.0% and a reduced number of Broker Warrants equal to 4.0% of the number of Units shall be payable with respect to Units sold to purchasers in the Offering on a president’s list.



The Offering and Concurrent Private Placement is scheduled to close on or around February 28, 2023 and is subject to certain conditions including, but not limited to, receipt of all necessary approvals including satisfaction of listing conditions of the Canadian Securities Exchange.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any Units in the United States. The securities to be sold in the Offering have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About ChitogenX Inc.

ChitogenX Inc. is a clinical stage regenerative medicine company dedicated to the development of novel therapeutic tissue repair technologies to improve tissue healing. The Company is committed to the clinical development of its proprietary ORTHO-R technology platform, a muco-adhesive CHITOSAN based biopolymer matrix, specifically designed to deliver biologics such as platelet-rich plasma (PRP) or bone marrow aspirate concentrate (BMAC), to enhance healing in various Regenerative Medicine Applications. Other formulations are being developed to leverage the technology's performance characteristics such as tissue adhesion, pliability, and ability to deliver biologics or therapeutics to various tissues damaged by trauma or disease. Further information about ChitogenX is available on the Company's website at www.chitogenx.com and on SEDAR at www.sedar.com.

Forward-Looking Statements

This news release may contain certain forward-looking statements regarding the Company's expectations for future events, including statements regarding completion of the Offering and Concurrent Private Placement and the date thereof, and the listing of the Shares composing the Units and the Warrant Shares. Such expectations are based on certain assumptions that are founded on currently available information. If these assumptions prove incorrect, actual results may differ materially from those contemplated by the forward-looking statements contained in this press release. Factors that could cause actual results to differ include, amongst others, uncertainty as to the final result and other risks. The Company disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by security laws.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

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