

Adial Pharmaceuticals Names Cary Claiborne as Chief Executive Officer

August 22, 2022

Kevin Schuyler appointed Chairman of Adial's Board

William Stilley moves to post of CEO of Adial's subsidiary, Purnovate

Company to host conference call at 8:30 a.m. EDT tomorrow

CHARLOTTESVILLE, Va., Aug. 22, 2022 — **Adial Pharmaceuticals, Inc. (NASDAQ: ADIL; ADILW)** (“Adial” or the “Company”), a clinical-stage biopharmaceutical company focused on developing therapies for the treatment and prevention of addiction and related disorders, announced the appointment of Cary J. Claiborne as President and Chief Executive Officer. Mr. Claiborne, who has 18 years of experience in leadership roles with clinical and commercial stage, publicly traded biopharmaceutical companies, takes over the role of William Stilley, who was appointed to the newly created position of CEO of Purnovate, Inc. Both executives will remain on the Board of Directors of Adial. The Company also announced that Kevin Schuyler, who has served as Vice Chairman and as an independent director, has been appointed Chairman.

Mr. Claiborne was appointed Chief Operating Officer of Adial in December 2022 after previously being named to the Board of Directors. Mr. Claiborne brings extensive experience in leadership roles with clinical and commercial stage, publicly traded biopharmaceutical companies. Most recently, Mr. Claiborne served as Chief Financial Officer and director of Indivior PLC, a publicly traded specialty pharmaceutical company developing medicines to treat addiction and serious mental illnesses. He led Indivior’s spin-off from its then parent company, Reckitt Benckiser, to become an independent, publicly traded company. Prior to joining Indivior, Mr. Claiborne served as the CFO of Sucampo Pharmaceuticals, Inc., a global biopharmaceutical company, which was later sold to Mallinckrodt. Before joining Sucampo, Mr. Claiborne served as CFO and Corporate Secretary of Osiris Therapeutics, Inc. during the company’s initial public offering.

Mr. Claiborne currently sits on the boards of NeuroSense Therapeutics, a clinical-stage drug development company that is advancing a treatment for people living with amyotrophic lateral sclerosis and CytRx Corporation, a biopharmaceutical company focused on discovering and developing new cancer therapeutics. He graduated from Rutgers University with a B.A. in Business Administration and earned his M.B.A from Villanova University and was a National Association of Corporate Directors (NACD) Governance Fellow.

“The change in leadership is aligned with Adial’s focus on advancing AD04 toward commercialization,” said Mr. Schuyler. “As CEO, Cary brings extensive experience as an executive and board member with other commercial stage biopharma businesses. I believe Cary’s years of professional experience will prove invaluable as Adial transitions toward commercialization. Given what we view to be very positive results in our Phase 3 ONWARD trial, we believe the timing is ideal for this transition as we shift our primary focus to advancing our regulatory strategy and pursuing potential partnering activities around AD04. Cary brings a proven track record, both in the field of addiction and, importantly, on the commercial front. While Cary drives the Adial business forward, Bill will lead the development strategies for the Purnovate assets. Given the distinct operating needs involving a late-stage clinical asset in AD-04 and those tied to preclinical programs moving toward human studies at Purnovate, we are confident that this new leadership structure is best for Adial.”

Mr. Claiborne added, “Adial has reached an important inflection point, having met significant milestones and achieved positive data in a commercially viable patient population. We remain highly encouraged by the path forward based on feedback from both key opinion leaders and our regulatory advisors. As a result, we look forward to discussing the ONWARD results with both the EMA and FDA. At the same time, we plan to aggressively explore potential partnership opportunities in Europe and the U.S. I look forward to continuing working closely with Bill in his new role at Purnovate with an eye toward bringing to market a much-needed treatment for the benefit of patients while also creating value for our shareholders.”

Mr. Stilley commented, “I was fortunate to have Cary join my team this past December. He is an impressive, world-class senior pharmaceutical executive who has made great contributions at the Company, and I am thrilled that he has been elevated to the role of CEO of Adial.” Mr. Stilley continued, “Adenosine is critical neurotransmitter that is known to be involved in a host of different medical conditions. Purnovate, with its adenosine platform, has the potential to treat a wide range of important unmet medical needs such as pain, asthma, cancer, diabetes, and inflammation. It is Purnovate’s bioavailability technology that has allowed this breakthrough for the numerous potential applications. Purnovate is at a growth stage that now requires a dedicated CEO focused on developing its assets. I am grateful to the Board for the opportunity to focus on Purnovate and look forward to the impact I am confident we can have on human health and on increasing value for our shareholders.”

Investor Conference Call

Adial Pharmaceuticals will host a conference call at 8:30 a.m. EDT tomorrow.

The conference call will be available via telephone by dialing toll free 888-506-0062 for U.S. callers or +1 973-528-0011 for international callers and using entry code: 321005. A webcast of the call may be accessed at <https://www.webcaster4.com/Webcast/Page/2463/46424> or on the investor relations section of the Company’s website at <https://www.adial.com/investors/>.

A webcast replay will also be available on the Company’s Investors section of the website (<https://www.adial.com/investors/>) through August 23, 2023. A telephone replay of the call will be available approximately one hour following the call, through September 6, 2022, and can be accessed by dialing 877-481-4010 for U.S. callers or +1 919-882-2331 for international callers and entering conference ID: 46424.

About Adial Pharmaceuticals, Inc.

Adial Pharmaceuticals is a clinical-stage biopharmaceutical company focused on the development of treatments for addictions. The Company’s lead investigational new drug product, AD04, is a genetically targeted, serotonin-3 receptor antagonist, therapeutic agent for the treatment of Alcohol Use Disorder (AUD) in heavy drinking patients and was recently investigated in the Company’s ONWARD™ pivotal Phase 3 clinical trial for the potential treatment of AUD in subjects with certain target genotypes (estimated to be approximately one-third of the AUD population) identified using the Company’s proprietary companion diagnostic genetic test. ONWARD showed promising results in reducing heavy drinking in heavy drinking patients, and no overt safety or tolerability concerns. AD04 is also believed to have the potential to treat other addictive disorders such as Opioid Use Disorder, gambling, and obesity. The Company is also developing adenosine analogs for the treatment of pain and other disorders. Additional information is available at www.adial.com.

About Purnovate, Inc.

Purnovate, Inc., a wholly owned subsidiary of Adial Pharmaceuticals, Inc., is a pharmaceutical

development and chemistry company focused on inventing and developing selective, potent, stable, and soluble drug candidates targeting the adenosine receptors to treat diseases and disorders such as pain, asthma, cancer, diabetes, non-alcoholic steatohepatitis (NASH), and inflammatory diseases and disorders such as burn/wound healing, inflammatory bowel disorder and infectious disease. For more information, visit www.adial.com/purnovate/.

Forward Looking Statements

This communication contains certain “forward-looking statements” within the meaning of the U.S. federal securities laws. Such statements are based upon various facts and derived utilizing numerous important assumptions and are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Statements preceded by, followed by or that otherwise include the words “believes,” “expects,” “anticipates,” “intends,” “projects,” “estimates,” “plans” and similar expressions or future or conditional verbs such as “will,” “should,” “would,” “may” and “could” are generally forward-looking in nature and not historical facts, although not all forward-looking statements include the foregoing. The forward-looking statements include statements regarding the expected contribution of Mr. Claiborne, the timing being ideal for the transition as we shift our primary focus towards advancing our regulatory strategy and pursuing potential partnering activities around AD04, discussing the ONWARD results with both the EMA and FDA, aggressively exploring potential partnership opportunities in Europe and the U.S, bringing to market a much-needed treatment for the benefit of patients while also creating value for shareholders Purnovate’s adenosine platform having the potential to treat a wide range of important unmet medical needs such as pain, asthma, cancer, diabetes, and inflammation, the expected contribution of Mr. Stillely to Purnovate, and the impact Purnovate can have on human health and on increasing value for shareholders. Any forward-looking statements included herein reflect our current views, and they involve certain risks and uncertainties, including, among others, our ability to advance our regulatory strategy and pursue potential partnering activities around AD04, our ability to move forward with Purnovate opportunities, our ability to complete clinical trials on time and achieve desired results and benefits as expected, our ability to obtain regulatory approvals for commercialization of product candidates or to comply with ongoing regulatory requirements, regulatory limitations relating to our ability to promote or commercialize our product candidates for specific indications, acceptance of our product candidates in the marketplace and the successful development, marketing or sale of our products, our ability to maintain our license agreements, the continued maintenance and growth of our patent estate, our ability to establish and maintain collaborations, our ability to obtain or maintain the capital or grants necessary to fund our research and development activities, our cash runway being sufficient to advance ongoing regulatory and partnering activities related to AD04, as well as advancement of Purnovate’s platform, and our ability to retain our key employees or maintain our Nasdaq listing. These risks should not be construed as exhaustive and should be read together with the other cautionary statement included in our Annual Report on Form 10-K for the year ended December 31, 2021, subsequent Quarterly Reports on Form 10-Q and current reports on Form 8-K filed with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date on which it was initially made. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, unless required by law.

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