UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended July 31, 2023

OR

□ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 001-40483

ALZAMEND NEURO, INC.

(Exact name of registrant as specified in its charter)

Delaware		**81-1822909**
(State or other jurisdiction of incorporation or organization)		(I.R.S. Employer Identification Number)
3480 Peachtree Road NE, Second Floor Suite 103, Atlanta, GA	**30326**	**(844) 722-6303**
(Address of principal executive offices)	(Zip Code)	(Registrant's telephone number, including area code)

Securities registered under Section 12(b) of the Act:

Title of Each Class	**Trading Symbol**	**Name of each exchange on which registered**
Common Stock, $0.0001 par value per share	ALZN	NASDAQ Capital Market

Securities registered under Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No □

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No □

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	□	Accelerated filer	□
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth company	☒		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. □

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes □ No ☒

As of September 12, 2023 there were 96,940,124 shares of registrant's common stock, $0.0001 par value per share, outstanding.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Alzamend Neuro, Inc.
Condensed Balance Sheets
(Unaudited)

	July 31, 2023	April 30, 2023
ASSETS		
CURRENT ASSETS		
Cash	$ 1,695,416	$ 5,140,859
Prepaid expenses and other current assets	718,188	447,589
Prepaid expenses - related party	-	247,334
TOTAL CURRENT ASSETS	2,413,604	5,835,782
Property, plant and equipment, net	214,401	79,843
TOTAL ASSETS	$ 2,628,005	$ 5,915,625
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 2,740,888	$ 2,870,122
TOTAL LIABILITIES, ALL CURRENT	2,740,888	2,870,122
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' (DEFICIT) EQUITY		
Convertible Preferred stock, $0.0001 par value: 10,000,000 shares authorized; Series A Convertible Preferred Stock, $0.0001 stated value per share, 1,360,000 shares designated; nil issued and outstanding as of July 31, 2023 and April 30, 2023	-	-
Common stock, $0.0001 par value: 300,000,000 shares authorized; 96,940,124 issued and outstanding as of July 31, 2023 and April 30, 2023	9,694	9,694
Additional paid-in capital	62,361,146	61,991,766
Note receivable for common stock – related party	(14,883,295)	(14,883,295)
Accumulated deficit	(47,600,428)	(44,072,662)
TOTAL STOCKHOLDERS' (DEFICIT) EQUITY	(112,883)	3,045,503
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 2,628,005	$ 5,915,625

The accompanying notes are an integral part of these unaudited condensed financial statements.

Alzamend Neuro, Inc.
Condensed Statements of Operations
(Unaudited)

	For the Three Months Ended July 31,	
	2023	**2022**
OPERATING EXPENSES		
Research and development	$ 2,366,137	$ 1,375,953
General and administrative	1,159,794	1,659,589
Total operating expenses	3,525,931	3,035,542
Loss from operations	(3,525,931)	(3,035,542)
OTHER EXPENSE, NET		
Interest expense	(1,835)	(1,532)
Total other expense, net	(1,835)	(1,532)
NET LOSS	$ (3,527,766)	$ (3,037,074)
Basic and diluted net loss per common share	$ (0.04)	$ (0.03)
Basic and diluted weighted average common shares outstanding	98,440,124	97,481,790

The accompanying notes are an integral part of these unaudited condensed financial statements.

Alzamend Neuro, Inc.
Condensed Statements of Stockholders' (Deficit) Equity
For the Three Months Ended July 31, 2023
(Unaudited)

	Series A Convertible Preferred Stock		Common Stock		Additional Paid-In	Note Receivable for Common Stock -	Accumulated	
	Shares	Amount	Shares	Amount	Capital	Related Party	Deficit	Total
BALANCES, April 30, 2023	-	$ -	96,940,124	$ 9,694	$ 61,991,766	$ (14,883,295)	$ (44,072,662)	$ 3,045,503
Stock-based compensation	-	-	-	-	369,380	-	-	369,380
Net loss	-	-	-	-	-	-	(3,527,766)	(3,527,766)
BALANCES, July 31, 2023	-	$ -	96,940,124	$ 9,694	$ 62,361,146	$ (14,883,295)	$ (47,600,428)	$ (112,883)

The accompanying notes are an integral part of these unaudited condensed financial statements.

Alzamend Neuro, Inc.
Condensed Statements of Stockholders' (Deficit) Equity
For the Three Months Ended July 31, 2022
(Unaudited)

	Series A Convertible Preferred Stock		Common Stock		Additional Paid-In	Note Receivable for Common Stock -	Accumulated	
	Shares	Amount	Shares	Amount	Capital	Related Party	Deficit	Total
BALANCES, April 30, 2022	-	$ -	95,481,790	$ 9,548	$ 57,419,753	$ (14,883,295)	$ (29,194,495)	$ 13,351,511
Stock-based compensation	-	-	-	-	867,338	-	-	867,338
Net loss	-	-	-	-	-	-	(3,037,074)	(3,037,074)
BALANCES, July 31, 2022	-	$ -	95,481,790	$ 9,548	$ 58,287,091	$ (14,883,295)	$ (32,231,569)	$ 11,181,775

The accompanying notes are an integral part of these unaudited condensed financial statements.

Alzamend Neuro, Inc.
Condensed Statements of Cash Flows
(Unaudited)

	For the Three Months Ended July 31,	
	2023	**2022**
Cash flows from operating activities:		
Net loss	$ (3,527,766)	$ (3,037,074)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	12,685	7,097
Stock-based compensation to employees and consultants	369,380	867,338
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(270,599)	(237,819)
Prepaid expenses - related party	247,334	-
Accounts payable and accrued liabilities	(129,234)	(136,232)
Net cash used in operating activities	(3,298,200)	(2,536,690)
Cash flows from investing activities:		
Purchase of machinery	(147,243)	-
Net cash used in investing activities	(147,243)	-
Net decrease in cash	(3,445,443)	(2,536,690)
Cash at beginning of period	5,140,859	14,063,811
Cash at end of period	$ 1,695,416	$ 11,527,121

The accompanying notes are an integral part of these unaudited condensed financial statements.

1. DESCRIPTION OF BUSINESS

Organization

Alzamend Neuro, Inc. (the "Company" or "Alzamend"), is a clinical-stage biopharmaceutical company focused on developing novel products for the treatment of Alzheimer's disease ("Alzheimer's"), bipolar disorder ("BD"), major depressive disorder ("MDD") and post-traumatic stress disorder ("PTSD"). With two current product candidates, Alzamend aims to bring treatments or cures to market at a reasonable cost as quickly as possible. The Company's current pipeline consists of two novel therapeutic drug candidates: (i) a patented ionic cocrystal technology delivering a therapeutic combination of lithium, proline and salicylate, known as AL001, through two royalty-bearing exclusive worldwide licenses from the University of South Florida Research Foundation, Inc., as licensor (the "Licensor"); and (ii) a patented method using a mutant peptide sensitized cell as a cell-based therapeutic vaccine that seeks to restore the ability of a patient's immunological system to combat Alzheimer's, known as ALZN002, through a royalty-bearing exclusive worldwide license from the same Licensor.

The Company is devoting substantially all its efforts towards research and development of its two product candidates and raising capital. The Company has not generated any product revenue to date. The Company has financed its operations to date primarily through debt financings and through the sale of its common stock, par value $0.0001 per share ("Common Stock"). The Company expects to continue to incur net losses in the foreseeable future.

2. LIQUIDITY AND GOING CONCERN

The accompanying financial statements have been prepared on the basis that the Company will continue as a going concern. As of July 31, 2023, the Company had cash of $1.7 million, an accumulated deficit of $47.6 million and stockholders' deficit of $113,000. For the three months ended July 31, 2023, the Company had a net loss of $3.5 million and cash used in operating activities of $3.3 million. Historically, the Company has financed its operations principally through issuances of equity and debt instruments.

The Company believes its current cash on hand is not sufficient to fund its planned operations through one year after the date the financial statements are issued. These factors create substantial doubt about the Company's ability to continue as a going concern for at least one year after the date that these condensed financial statements are issued.

The Company's inability to continue as a going concern could have a negative impact on the company, including our ability to obtain needed financing. The Company's financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should it be unable to continue as a going concern.

In order to continue as a going concern, the Company will need to raise additional funds. The Company plans to seek additional funding through public equity, private equity and debt financings. Additional funds may also be received from the exercise of warrants (Note 7) and the receipt of funds from the note receivable (Note 4). The terms of any additional financing may adversely affect the holdings or rights of the Company's stockholders. If the Company is unable to obtain funding, it could be required to delay, reduce or eliminate research and development programs and planned clinical trials which could adversely affect the Company's business operations.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying condensed financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and the rules of the Securities and Exchange Commission ("SEC") applicable to interim reports of companies filing as a smaller reporting company. These financial statements should be read in conjunction with the audited financial statements and notes thereto contained in the Company's Report on Form 10-K for the year ended April 30, 2023, filed with the SEC on July 27, 2023. In the opinion of management, the accompanying condensed interim financial statements include all adjustments necessary in order to make the financial statements not misleading. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year or any other future period. Certain notes to the financial statements that would substantially duplicate the disclosures contained in the audited financial statements for the most recent fiscal year as reported in the Company's Report on Form 10-K have been omitted. The accompanying condensed balance sheet at April 30, 2023 has been derived from the audited balance sheet at April 30, 2023 contained in such Form 10-K.

Accounting Estimates

The preparation of financial statements, in conformity with U.S. GAAP, 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 expenses during the reporting period. The Company's significant accounting policies that involve significant judgment and estimates include stock-based compensation, warrant valuation, and valuation of deferred income taxes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a remaining maturity of three months or less when purchased to be cash equivalents. As of July 31, 2023 and April 30, 2023, the Company had no cash equivalents.

Fair Value of Financial Instruments

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy is based on three levels of inputs that may be used to measure fair value, of which the first two are considered observable and the last is considered unobservable:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 assumptions: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities including liabilities resulting from imbedded derivatives associated with certain warrants to purchase Common Stock.

The fair values of warrants are determined using the Black-Scholes valuation model, a "Level 3" fair value measurement, based on the estimated fair value of Common Stock, volatility based on the historical volatility data of similar companies, considering the industry, products and market capitalization of such other entities, the expected life based on the remaining contractual term of the warrants and the risk free interest rate based on the implied yield available on U.S. Treasury Securities with a maturity equivalent to the warrants' contractual life.

Property and Equipment, Net

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful life of five years. Significant additions and improvements are capitalized, while repairs and maintenance are charged to expense as incurred.

Research and Development Expenses

Research and development costs are expensed as incurred. Research and development costs consist of scientific consulting fees, clinical trial fees and lab supplies, as well as fees paid to other entities that conduct certain research and development activities on behalf of the Company.

The Company has acquired and may continue to acquire the rights to develop and commercialize new product candidates from third parties. The upfront payments to acquire license, products or rights, as well as any future milestone payments, are immediately recognized as research and development expense provided that there is no alternative future use of the rights in other research and development projects.

Stock-Based Compensation

The Company recognizes stock-based compensation expense for stock options on a straight-line basis over the requisite service period and account for forfeitures as they occur. The Company's stock-based compensation costs are based upon the grant date fair value of options estimated using the Black-Scholes option pricing model. To the extent any stock option grants are made subject to the achievement of a performance-based milestone, management evaluates when the achievement of any such performance-based milestone is probable based on the relative satisfaction of the performance conditions as of the reporting date.

The Company recognizes stock-based compensation expense for restricted stock units on a straight-line basis over the requisite service period and account for forfeitures as they occur. The Company's stock-based compensation for restricted stocks is based upon the estimated fair value of the Common Stock.

The Black-Scholes option pricing model utilizes inputs which are highly subjective assumptions and generally require significant judgment. Certain of such assumptions involve inherent uncertainties and the application of significant judgment. As a result, if factors or expected outcomes change and the Company uses significantly different assumptions or estimates, the Company's stock-based compensation could be materially different.

Warrants

The Company accounts for stock warrants as either equity instruments, derivative liabilities, or liabilities in accordance with FASB ASC 480, *Distinguishing Liabilities from Equity* and FASB ASC 815, *Derivatives and Hedging,* depending on the specific terms of the warrant agreement.

Loss per Common Share

The Company utilizes FASB ASC 260, *Earnings per Share*. Basic loss per share is computed by dividing loss available to common stockholders by the weighted-average number of common shares outstanding. Diluted loss per share is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Diluted loss per common share reflects the potential dilution that could occur if convertible preferred stock, options and warrants were to be exercised or converted or otherwise resulted in the issuance of Common Stock that then shared in the earnings of the entity.

Since the effects of outstanding stock options, restricted stock units and warrants are anti-dilutive in the periods presented, shares of Common Stock underlying these instruments have been excluded from the computation of loss per common share.

The following sets forth the number of shares of Common Stock underlying outstanding stock options, restricted stock units and warrants that have been excluded from the computation of loss per common share:

	For the Three Months Ended July 31,	
	2023	**2022**
Stock options (1)	18,158,329	18,600,000
Restricted stock units	50,000	75,000
Warrants	10,149,788	10,149,788
	28,358,117	28,824,788

(1) The Company has excluded 1,500,000 and 2,000,000 stock options for the three months ended July 31, 2023 and 2022, respectively, with an exercise price of $0.0004, from its anti-dilutive securities as these shares have been included in our determination of basic loss per share as they represent shares issuable for little or no cash consideration upon the satisfaction of certain conditions pursuant to FASB ASC 260-10-45-14.

Recent Accounting Standards

From time to time, new accounting pronouncements are issued by the FASB and adopted by the Company as of the specified effective date. Unless otherwise discussed, the impact of recently issued standards that are not yet effective are not expected to have a material impact on the Company's financial position or results of operations upon adoption.

The Company has considered all other recently issued accounting standards and does not believe the adoption of such standards will have a material impact on its financial statements.

4. NOTE RECEIVABLE FOR COMMON STOCK, RELATED PARTY

On April 30, 2019, the Company and Ault Life Sciences Fund, LLC ("ALSF") entered into a securities purchase agreement for the purchase of 10,000,000 shares of Common Stock for a total purchase price of $15,000,000, or $1.50 per share with 5,000,000 warrants with a 5-year life and an exercise price of $3.00 per share and vesting upon issuance. The total purchase price of $15,000,000 was in the form of a non-interest bearing note receivable with a 12-month term from ALSF, a related party. In November 2019, the term of the note receivable was extended to December 31, 2021, and in May 2021, the term of the note receivable was extended to December 31, 2023. The note is secured by a pledge of the purchased shares. As the note receivable from ALSF is related to the issuance of Common Stock, it is recorded as an offset to additional paid-in capital. At July 31, 2023 and April 30, 2023, the outstanding balance of the note receivable was $14,883,295. ALSF is wholly owned by Ault Life Sciences, Inc. ("ALSI"). ALSI is majority owned by Ault & Company, Inc. ("Ault & Co."). Messrs. Horne and Nisser, directors of the Company, are also directors of Ault & Co.

5. PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets are as follows:

	July 31, 2023	April 30, 2023
Prepaid clinical trial fees	$ 394,821	$ 352,635
Prepaid insurance	311,533	92,154
Other prepaid expenses	11,834	2,800
Total prepaid expenses and other current assets	$ 718,188	$ 447,589

During the three months ended July 31, 2023, the Company prepaid $313,000 for clinical trial fees related to ALZN002. During the year ended April 30, 2023, the Company prepaid $936,000 for clinical trial fees related to ALZN002. Prepaid clinical trial fees at July 31, 2023 and April 30, 2023 represented the unused portion of the prepaid clinical trial fees. On June 14, 2023, the Company purchased directors' and officers' insurance for 12 months in the amount of $337,000. Prepaid insurance at July 31, 2023 represented the unamortized portion of annual insurance premium.

6. STOCK-BASED COMPENSATION

2016 Stock Incentive Plan

On April 30, 2016, the Company's stockholders approved the Company's 2016 Stock Incentive Plan (the "Plan"). The Plan provides for the issuance of a maximum of 12,500,000 shares of Common Stock to be offered to the Company's directors, officers, employees, and consultants. On March 1, 2019, the Company's stockholders approved an additional 7,500,000 shares to be available for issuance under the Plan. Options granted under the Plan have an exercise price equal to or greater than the fair value of the underlying Common Stock at the date of grant and become exercisable based on a vesting schedule determined at the date of grant. The options expire between five and 10 years from the date of grant. Restricted stock awards granted under the Plan are subject to a vesting period determined at the date of grant.

2021 Stock Incentive Plan

In February 2021, the Company's board of directors (the "Board") adopted, and the stockholders approved, the Alzamend Neuro, Inc. 2021 Stock Incentive Plan (the "2021 Plan"). The 2021 Plan authorizes the grant to eligible individuals of (1) stock options (incentive and non-statutory), (2) restricted stock, (3) stock appreciation rights, or SARs, (4) restricted stock units, and (5) other stock-based compensation.

Stock Subject to the 2021 Plan. The maximum number of shares of Common Stock that may be issued under the 2021 Plan is 10,000,000 shares, which number will be increased to the extent that compensation granted under the 2021 Plan is forfeited, expires or is settled for cash (except as otherwise provided in the 2021 Plan). Substitute awards (awards made or shares issued by the Company in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, in each case by a company that the Company acquires or any subsidiary of the Company or with which the Company or any subsidiary combines) will not reduce the shares authorized for grant under the 2021 Plan, nor will shares subject to a substitute award be added to the shares available for issuance or transfer under the 2021 Plan.

All options that the Company grants are granted at the per share fair value on the grant date. Vesting of options differs based on the terms of each option. The Company has valued the options at their date of grant utilizing the Black-Scholes option pricing model. As of the date of issuance of these options, there was not an active public market for the Company's shares. Accordingly, the fair value of the underlying options was determined based on the historical volatility data of similar companies, considering the industry, products and market capitalization of such other entities. The risk-free interest rate used in the calculations is based on the implied yield available on U.S. Treasury issues with an equivalent term approximating the expected life of the options as calculated using the simplified method. The expected life of the options used was based on the contractual life of the option granted. Stock-based compensation is a non-cash expense because the Company settles these obligations by issuing shares of Common Stock from its authorized shares instead of settling such obligations with cash payments.

A summary of stock option activity for the three months ended July 31, 2023 is presented below:

		Outstanding Options			
	Shares Available for Grant	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)	Aggregate Intrinsic Value
Balance at April 30, 2023	9,191,671	14,808,329	$ 1.22	6.18	$ 819,900
Options granted	-	-	$ -	-	
Options exercised	-	-	$ -	-	
Options expired	-	-	$ -	-	
Balance at July 31, 2023	9,191,671	14,808,329	$ 1.22	5.93	$ 678,900
Options vested and expected to vest at July 31, 2023		13,808,329	$ 1.22	5.68	$ 678,900
Options exercisable at July 31, 2023		13,401,031	$ 1.20	5.61	$ 678,900

The aggregate intrinsic value in the table above represents the total pretax intrinsic value (i.e., the difference between the estimated fair value on the respective date and the exercise price, times the number of shares) that would have been received by the option holders had all option holders exercised their options.

Performance Contingent Stock Options Granted to Employee

On November 26, 2019, the Board granted 4,250,000 performance- and market-contingent awards to certain key employees and a director. These grants were made outside of the Plan. These awards have an exercise price of $1.50 per share. These awards have multiple separate market triggers for vesting based upon either (i) the successful achievement of tiered target closing prices on a national securities exchange for 90 consecutive trading days later than 180 days after the Company's initial public offering ("IPO") for its Common Stock, or (ii) tiered target prices for a change in control transaction. The target prices ranged from $10 per share to $40 per share. In the event any of the stock price milestones are not achieved within three years, the unvested portion of the performance options will be reduced by 25%.

On November 22, 2022, the Compensation Committee of the Board modified the performance criteria for these awards. The target price range is now $10 per share to $20 per share. Additionally, if the stock price milestones are now not achieved by November 27, 2026, as opposed to within three years, the unvested portion of the performance options will be reduced by 25%. Due to the significant risks and uncertainties associated with achieving the market-contingent awards, as of July 31, 2023, the Company believes that the achievement of the requisite performance conditions is not probable and, as a result, no compensation cost has been recognized for these awards.

On November 29, 2022, the Compensation Committee of the Board granted 2,000,000 performance-based stock option to the Chief Executive Officer at an exercise price of $1.17 per share, of which 50% vest upon the completion and announcement of topline data from the Company's Phase II clinical trial of AL001 within three years from grant date and the remaining 50% vest upon the completion and announcement of topline data from the Company's Phase I/IIA clinical trial of ALZN002 within four years from the grant date. As of July 31, 2023, the Company believes that it is probable that the performance condition of the completion and announcement of topline data from the Company's Phase II clinical trial of AL001 will be achieved and had recognized the related stock-based compensation during the three months ended January 31, 2023. As of July 31, 2023, the Company believes that the achievement of the second performance condition is not probable and, as a result, no compensation cost has been recognized related to Phase I/IIA of ALZN002.

Performance Contingent Stock Options Granted to TAMM Net

On March 23, 2021, the Company issued performance-based stock options to certain team members at TAMM Net, Inc. ("TAMM Net") to purchase an aggregate of 450,000 shares of Common Stock at a per share exercise price of $1.50 per share, of which 50% vest upon the completion of Phase I of AL001 by March 31, 2022, and the remaining 50% vest upon completion of Phase I/IIA of ALZN002 by December 31, 2022.

On January 19, 2023, the Board modified the performance criteria for these awards. The remaining 50% of the grant will now vest upon the completion and announcement of topline data of the first cohort from a Phase I/IIA clinical trial of ALZN002 on/or before March 31, 2024. Due to the significant risks and uncertainties associated with achieving the completion of Phase I/IIA for ALZN002, as of July 31, 2023, the Company believes that the achievement of the requisite performance conditions is not probable and, as a result, no compensation cost has been recognized for these awards related to ALZN002.

Performance Contingent Stock Options Granted to Consultants

On October 14, 2021, the Company issued performance-based stock options to two consultants to purchase an aggregate of 200,000 shares of Common Stock with an exercise price of $2.42 per share, of which 50,000 vest upon completion of each of the Phase II clinical trials of AL001 for a BD indication, AL001 for a PTSD indication, AL001 for a depression indication and ALZN002 for an Alzheimer's indication.

On January 19, 2023, the Board modified the performance criteria for these awards. The revised grant will vest 25% if the Company (a) completes and announces topline data from a Phase II clinical trial of AL001 and ALZN002, as applicable, that would support a new drug application for the drug candidate and the indication listed below, and (b) obtained a "Study May Proceed" letter from the U.S. Food and Drug Administration ("FDA") for the additional Investigational New Drug ("IND") on/or before December 31, 2023, as follows: (i) AL001 – bipolar disorder; (ii) AL001- major depressive disorder; (iii) AL001 – post-traumatic stress disorder; and (iv) ALZN002 – Alzheimer's disease.

As of July 31, 2023, the Company believes that the achievement of the requisite performance conditions is not probable and, as a result, no compensation cost has been recognized for these awards related to Phase II of AL001 and ALZN002.

Stock-Based Compensation Expense

The Company's results of operations include expenses relating to stock-based compensation for three months ended July 31, 2023 and 2022, that were comprised as follows:

	For the Three Months Ended July 31,	
	2023	2022
General and administrative	$ 369,380	$ 867,338

As of July 31, 2023, total unamortized stock-based compensation expense related to unvested employee and non-employee awards that are expected to vest was $1.0 million. The weighted-average period over which such stock-based compensation expense will be recognized is approximately 1.3 years.

7. WARRANTS

The following table summarizes information about Common Stock warrants outstanding and exercisable at July 31, 2023:

Outstanding				Exercisable	
Exercise Price	Number Outstanding	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$ 1.00	500,000	0.6	$ 1.00	500,000	$ 1.00
$ 1.75	161,342	1.3	$ 1.75	161,342	$ 1.75
$ 3.00	9,427,196	1.7	$ 3.00	9,427,196	$ 3.00
$ 6.25	61,250	2.9	$ 6.25	61,250	$ 6.25
$1.00 - $6.25	10,149,788	1.6	$ 2.90	10,149,788	$ 2.90

8. COMMITMENTS AND CONTINGENCIES

Contractual Obligations

On July 2, 2018, the Company entered into two Standard Exclusive License Agreements with Sublicensing Terms for AL001 with the Licensor and its affiliate, the University of South Florida (the "AL001 Licenses"), pursuant to which the Licensor granted the Company a royalty bearing exclusive worldwide licenses limited to the field of Alzheimer's, under United States Patent Nos. (i) 9,840,521, entitled "Organic Anion Lithium Ionic Cocrystal Compounds and Compositions", filed September 24, 2015 and granted December 12, 2017, and (ii) 9,603,869, entitled "Lithium Co-Crystals for Treatment of Neuropsychiatric Disorders", filed May 21, 2016 and granted March 28, 2017. On February 1, 2019, the Company entered into the First Amendments to the AL001 Licenses, on March 30, 2021, the Company entered into the Second Amendments to the AL001 Licenses and on June 8, 2023, the Company entered into the Third Amendments to the AL001 Licenses (collectively, the "AL001 License Agreements"). The Third Amendments to the AL001 Licenses modified the timing of the payments license fees.

The AL001 License Agreements require that the Company pay combined royalty payments of 4.5% on net sales of products developed from the licensed technology for AL001. The Company has already paid an initial license fee of $200,000 for AL001. As an additional licensing fee for the license of the AL001 technologies, the Licensor received 2,227,923 shares of the Company's common stock. Minimum royalties for AL001 License Agreements are $40,000 on the first anniversary of the first commercial sale, $80,000 on the second anniversary of the first commercial sale and $100,000 on the third anniversary of the first commercial sale and every year thereafter, for the life of the AL001 License Agreements.

On May 1, 2016, the Company entered into a Standard Exclusive License Agreement with Sublicensing Terms for ALZN002 with the Licensor (the "ALZN002 License"), pursuant to which the Licensor granted the Company a royalty bearing exclusive worldwide license limited to the field of Alzheimer's Immunotherapy and Diagnostics, under United States Patent No. 8,188,046, entitled "Amyloid Beta Peptides and Methods of Use", filed April 7, 2009 and granted May 29, 2012. On August 18, 2017, the Company entered into the First Amendment to the ALZN002 License, on May 7, 2018, the Company entered into the Second Amendment to the ALZN002 License, on January 31, 2019, the Company entered into the Third Amendment to the ALZN002 License, on January 24, 2020, the Company entered into the Fourth Amendment to the ALZN002 License, on March 30, 2021, the Company entered into the Fifth Amendment to the ALZN002 License and on April 17, 2023, the Company entered into the Sixth Amendment to the ALZN002 License (collectively, the "ALZN002 License Agreement"). The Sixth Amendments to the ALZN002 License modified the timing of the payments license fees.

The ALZN002 License Agreement requires the Company to pay royalty payments of 4% on net sales of products developed from the licensed technology for ALZN002. The Company has already paid an initial license fee of $200,000 for ALZN002. As an additional licensing fee for the license of ALZN002, the Licensor received 3,601,809 shares of the Company's common stock. Minimum royalties for ALZN002 are $20,000 on the first anniversary of the first commercial sale, $40,000 on the second anniversary of the first commercial sale and $50,000 on the third anniversary of the first commercial sale and every year thereafter, for the life of the ALZN002 License Agreement.

On November 19, 2019, the Company entered into two Standard Exclusive License Agreements with Sublicensing Terms for two additional indications of AL001 with the Licensor (the "November AL001 License"), pursuant to which the Licensor granted the Company a royalty bearing exclusive worldwide licenses limited to the fields of (i) neurodegenerative diseases excluding Alzheimer's and (ii) psychiatric diseases and disorders. On March 30, 2021, the Company entered into the First Amendments to the November AL001 License and on April 17, 2023, the Company entered into the Second Amendments to the November AL001 License (collectively, the "November AL001 License Agreements"). The Second Amendments to the November AL001 License modified the timing of the payments license fees.

The November AL001 License Agreements require the Company to pay royalty payments of 3% on net sales of products developed from the licensed technology for AL001 in those fields. The Company paid an initial license fee of $20,000 for the additional indications. Minimum royalties for November AL001 License Agreements are $40,000 on the first anniversary of the first commercial sale, $80,000 on the second anniversary of the first commercial sale and $100,000 on the third anniversary of the first commercial sale and every year thereafter, for the life of the November AL001 License Agreements.

These license agreements have an indefinite term that continue until the later of the date no licensed patent under the applicable agreement remains a pending application or enforceable patent, the end date of any period of market exclusivity granted by a governmental regulatory body, or the date on which the Company's obligations to pay royalties expire under the applicable license agreement. Under the various license agreements, if the Company fails to meet a milestone by its specified date, Licensor may terminate the license agreement. The Licensor was also granted a preemptive right to acquire such shares or other equity securities that may be issued from time to time by the Company while the Licensor remains the owner of any equity securities of the Company.

Additionally, the Company is required to pay milestone payments on the due dates to the Licensor for the license of the AL001 technologies and for the ALZN002 technology, as follows:

Original AL001 Licenses:

Payment	Due Date	Event
$ 50,000 *	Completed September 2019	Pre-IND meeting
$ 65,000 *	Completed June 2021	IND application filing
$ 190,000 *	Completed December 2021	Upon first dosing of patient in a clinical trial
$ 500,000 *	Completed March 2022	Upon completion of first clinical trial
$ 1,250,000	24 months from completion of first Phase II clinical trial	Upon first patient treated in a Phase III clinical trial
$ 10,000,000	8 years from the effective date of the agreement	Upon FDA approval

* Milestone met and completed

ALZN002 License:

Payment	Due Date	Event
$ 50,000	*Completed January 2022	Upon IND application filing
$ 50,000	September 2023	Upon first dosing of patient in Phase I clinical trial
$ 500,000	24 months from completion of first Phase I clinical trial	Upon completion of first Phase II clinical trial
$ 1,000,000	12 months from completion of first Phase II clinical trial	Upon first patient treated in a Phase III clinical trial
$ 10,000,000	7 years from the effective date of the agreement	Upon FDA Biologics License Application approval

* Milestone met and completed

Additional AL001 Licenses:

Payment	Due Date	Event
$ 2,000,000	36 months from completion of first Phase II clinical trial	Upon first patient treated in a Phase III clinical trial
$ 16,000,000	August 1, 2029	First commercial sale

9. EQUITY TRANSACTIONS

The Company is authorized to issue 10,000,000 shares of Preferred Stock $0.0001 par value. The Board has designated 1,360,000 shares as the Series A Convertible Preferred Stock. The rights, preferences, privileges and restrictions on the remaining authorized 8,640,000 shares of Preferred Stock have not been determined. The Board is authorized to create a new series of preferred shares and determine the number of shares, as well as the rights, preferences, privileges and restrictions granted to or imposed upon any series of preferred shares.

Series A Convertible Preferred Stock

As of July 31, 2023, there were no shares of Series A Convertible Preferred Stock issued or outstanding.

Common Stock

On April 30, 2019, the Company and ALSF entered into a securities purchase agreement (the "SPA") for the purchase of 10,000,000 shares of Common Stock for a total purchase price of $15,000,000, or $1.50 per share with 5,000,000 warrants with a 5-year life and an exercise price of $3.00 per share and vesting upon issuance. The total purchase price of $15,000,000 was in the form of a non-interest bearing note receivable with a 12-month term from ALSF, a related party. The note is secured by a pledge of the purchased shares. Pursuant to the SPA, ALSF is entitled to full ratchet anti-dilution protection, most-favored nation status, denying the Company the right to enter into a variable rate transaction absent its consent, a right to participate in any future financing the Company may consummate and to have all the shares of Common Stock to which it is entitled under the SPA registered under the Securities Act within 180 days of the final closing of the IPO. In May 2021, the term of the note receivable was extended to December 31, 2023. The note is secured by a pledge of the purchased shares.

In March 2021, the Company entered into a securities purchase agreement with Ault Lending, LLC, formerly known as Digital Power Lending, LLC ("Ault Lending") pursuant to which the Company agreed to sell an aggregate of 6,666,667 shares of Common Stock for an aggregate of $10 million, or $1.50 per share, which sales will be made in tranches. On March 9, 2021, Ault Lending paid $4 million, less the $1.8 million in prior advances and the surrender for cancellation of a $50,000 convertible promissory note held by BitNile, for an aggregate of 2,666,667 shares of Common Stock. Under the terms of the securities purchase agreement, Ault Lending (i) purchased an additional 1,333,333 shares of Common Stock upon approval by the FDA of the Company's IND for its Phase IA clinical trials for AL001 for a purchase price of $2 million, and (ii) purchased 2,666,667 shares of Common Stock upon the completion of these Phase IA clinical trials for AL001 for a purchase price of $4 million. In addition, the Company issued to Ault Lending warrants to purchase 3,333,333 shares of Common Stock at an exercise price of $3.00 per share. The term of the warrants is five years.

Finally, the Company agreed that for a period of 18 months following the date of the payment of the final tranche of $4 million, on April 28, 2022, DPL will have the right to invest an additional $10 million on the same terms, except that no specific milestones have been determined with respect to the additional $10 million as of the date of this Quarterly Report.

10. OTHER RELATED PARTY TRANSACTIONS

In November 2022, the Company entered into a marketing and brand development agreement with Ault Alliance, Inc. ("AULT"), effective August 1, 2022, whereby AULT will provide various marketing services over twelve months valued at $1.4 million. The Company had the right to pay the fee in cash or shares of its common stock with a value of $1.50 per share. On November 11, 2022, the Company elected to pay the fee with 933,334 shares of its common stock. The Company recorded the value of the agreement using the closing price of the Company's common stock on November 11, 2022, and will amortize the expense over twelve months beginning in August 2022. At July 31, 2023, the balance of related party prepaid expenses was zero.

11. SUBSEQUENT EVENTS

On September 8, 2023, the Company entered into an At-the-Market Issuance Sales Agreement (the "Sales Agreement") with Ascendiant Capital Markets, LLC, as sales agent to sell shares of its Common stock, having an aggregate offering price of up to approximately $9.8 million (the "Shares") from time to time, through an "at the market offering" (the "ATM Offering") as defined in Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"). On September 8, 2023, the Company filed a prospectus supplement with the SEC relating to the offer and sale of up to approximately $9.8 million in shares of common stock in the ATM Offering.

The offer and sale of the Shares will be made pursuant to the Company's effective "shelf" registration statement on Form S-3 and an accompanying base prospectus contained therein (Registration Statement No. 333-273610) filed with the SEC on August 2, 2023 and declared effective by the SEC on August 10, 2023.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following management's discussion and analysis of financial condition and results of operations in conjunction with our unaudited condensed financial statements and notes thereto included in Part I, Item 1 of this Quarterly Report on Form 10-Q and with our audited financial statements and related notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K, filed with the Securities and Exchange Commission, or the SEC, on July 27, 2023.

NOTE ABOUT FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). This section should be read in conjunction with our unaudited condensed financial statements and related notes included in Part I, Item 1 of this report. The statements contained in this report that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act.

These statements relate to future events or our future financial performance. We have attempted to identify forward-looking statements by terminology including "anticipates," "believes," "expects," "can," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predict," "should" or "will" or the negative of these terms or other comparable terminology. These statements are only predictions; uncertainties and other factors may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels or activity, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

In this Quarterly Report, unless the context requires otherwise, references to the "Company," "Alzamend," "we," "our company" and "us" refer to Alzamend Neuro, Inc., a Delaware corporation.

Overview

We were incorporated on February 26, 2016, as Alzamend Neuro, Inc. under the laws of the State of Delaware. We were formed to acquire and commercialize patented intellectual property and know-how to prevent, treat and potentially cure the crippling and deadly Alzheimer's. With our two product candidates, we aim to bring treatment or cures not only for Alzheimer's, but also, bipolar disorder ("BD"), major depressive disorder ("MDD") and post-traumatic stress disorder ("PTSD"). Existing Alzheimer's treatments only temporarily relieve symptoms but do not, to our knowledge, slow or halt the underlying worsening of the disease. We have developed a novel approach to combat Alzheimer's through immunotherapy.

Critical Accounting Policies and Estimates

Research and Development Expenses. Research and development costs are expensed as incurred. Research and development costs consist of scientific consulting fees and lab supplies, as well as fees paid to other entities that conduct certain research and development activities on behalf of our company.

We have acquired and may continue to acquire the rights to develop and commercialize new product candidates from third parties. The upfront payments to acquire license, product or rights, as well as any future milestone payments, are immediately recognized as research and development expense provided that there is no alternative future use of the rights in other research and development projects.

Stock-Based Compensation. We maintain a stock-based compensation plan as a long-term incentive for employees, non-employee directors and consultants. The plan allows for the issuance of incentive stock options, non-qualified stock options, restricted stock units, and other forms of equity awards.

We recognize stock-based compensation expense for stock options on a straight-line basis over the requisite service period and account for forfeitures as they occur. Our stock-based compensation costs are based upon the grant date fair value of options estimated using the Black-Scholes option pricing model. To the extent any stock option grants are made subject to the achievement of a performance-based milestone, management evaluates when the achievement of any such performance-based milestone is probable based on the relative satisfaction of the performance conditions as of the reporting date.

The Black-Scholes option pricing model utilizes inputs which are highly subjective assumptions and generally require significant judgment. These assumptions include:

- ***Fair Value of Common Stock.*** See the subsection titled "Common Stock Valuations" below.

- ***Risk-Free Interest Rate.*** The risk-free interest rate is based on the U.S. Treasury zero coupon issues in effect at the time of grant for periods corresponding with the expected term of the option.

- ***Expected Volatility.*** Because we do not have a sufficient trading history for our common stock ("Common Stock"), the expected volatility was estimated based on the average volatility for comparable publicly traded life sciences companies over a period equal to the expected term of the stock option grants. The comparable companies were chosen based on the similar size, stage in life cycle or area of specialty. We will continue to apply this process until a sufficient amount of historical information regarding the volatility of our own stock price becomes available.

- ***Expected Term.*** The expected term represents the period that the stock-based awards are expected to be outstanding and is determined using the simplified method (based on the mid-point between the vesting date and the end of the contractual term), as we do not have sufficient historical data to use any other method to estimate expected term.

- ***Expected Dividend Yield.*** We have never paid dividends on our Common Stock and have no plans to pay dividends on our Common Stock. Therefore, we used an expected dividend yield of zero.

Certain of such assumptions involve inherent uncertainties and the application of significant judgment. As a result, if factors or expected outcomes change and we use significantly different assumptions or estimates, our stock-based compensation could be materially different.

Common Stock Valuations. Prior to our initial public offering ("IPO") in June 2021, there was no public market for our Common Stock, and, as a result, the fair value of the shares of Common Stock underlying our stock-based awards was estimated on each grant date by our Board. To determine the fair value of our Common Stock underlying option grants, our Board considered, among other things, input from management, and our Board's assessment of additional objective and subjective factors that it believed were relevant, and factors that may have changed from the date of the most recent valuation through the date of the grant. These factors included, but were not limited to:

- our results of operations and financial position, including our levels of available capital resources;

- our stage of development and material risks related to our business;

- progress of our research and development activities;

- our business conditions and projections;

- the valuation of publicly traded companies in the life sciences and biotechnology sectors, as well as recently completed mergers and acquisitions of peer companies;

- the lack of marketability of our Common Stock as a private company;

- the prices at which we sold shares of our Common Stock to outside investors in arms-length transactions;

- the likelihood of achieving a liquidity event for our security holders, such as an IPO or a sale of our company, given prevailing market conditions;

- trends and developments in our industry; and

- external market conditions affecting the life sciences and biotechnology industry sectors.

Following the closing of our IPO, our Board determined the fair market value of our Common Stock based on the closing price of our Common Stock as reported on the date of grant.

Plan of Operations

We intend to develop and commercialize therapeutics that are better than existing treatments and have the potential to significantly improve the lives of individuals afflicted by Alzheimer's, BD, MDD and PTSD. To achieve these goals, we are pursuing the following key business strategies:

- Advance clinical development of AL001 for Alzheimer's, BD, MDD and PTSD treatment;
- Advance clinical development of ALZN002 for Alzheimer's treatment;
- Expand our pipeline of pharmaceuticals to include additional indications for AL001 and delivery methods;
- Focus on translational and functional endpoints to efficiently develop product candidates; and
- Optimize the value of AL001 and ALZN002 in major markets.

Our pipeline consists of two novel therapeutic drug candidates:

- AL001 - A patented ionic cocrystal technology delivering a therapeutic combination of lithium, salicylate and proline through three royalty-bearing exclusive worldwide licenses from the University of South Florida Research Foundation, Inc., as licensor (the "Licensor"); and
- ALZN002 - A patented method using a mutant peptide sensitized cell as a cell-based therapeutic vaccine that seeks to restore the ability of a patient's immunological system to combat Alzheimer's through a royalty-bearing exclusive worldwide license from the Licensor.

Our most advanced product candidate (lead product) licensed and in clinical development in humans is AL001, an ionic cocrystal of lithium for the treatment of Alzheimer's, BD, MDD and PTSD. Based on our preclinical data involving mice models, AL001 treatment prevented cognitive deficits, depression and irritability and is superior in improving associative learning and memory and irritability compared with lithium carbonate treatments, supporting the potential of this lithium formulation for the treatment of Alzheimer's, BD, MDD and PTSD in humans. Lithium has been marketed for more than 35 years and human toxicology regarding lithium use has been well characterized, potentially mitigating the regulatory burden for safety data.

On May 5, 2022, we initiated a multiple-dose, steady-state, double-blind, ascending dose safety, tolerability, pharmacokinetic clinical trial of AL001 in patients with mild to moderate Alzheimer's and healthy subjects. We completed the Phase IIA clinical trial patient dosing in March 2023 and announced positive topline data in June 2023.

We announced that we successfully identified a maximum tolerated dose ("MTD") for development of AL001 from a multiple-ascending dose study as assessed by an independent safety review committee. This dose, providing lithium at a lithium carbonate equivalent dose of 240 mg 3-times daily ("TID"), is designed to be unlikely to require lithium therapeutic drug monitoring ("TDM"). Also, this MTD is risk mitigated for the purpose of treating fragile populations, such as Alzheimer's patients.

Lithium is a commonly prescribed drug for manic episodes in BD type 1 as well as maintenance therapy of BD in patients with a history of manic episodes. Lithium is also prescribed off-label for MDD, BD and treatment of PTSD, among other disorders. Lithium was the first mood stabilizer approved by the U.S. Food and Drug Administration ("FDA") and is still a first-line treatment option (considered the "gold standard") but is underutilized perhaps because of the need for TDM. Lithium was the first drug that required TDM by regulatory authorities in product labelling because the effective and safe range of therapeutic drug blood concentrations is narrow and well defined for treatment of BD when using lithium salts. Excursions above this range can be toxic, and below can impair effectiveness.

Based on the results from our Phase IIA MAD study, we plan to initiate two safety and efficacy clinical trials in subjects with mild to moderate dementia of the Alzheimer's type. Additionally, we intend to investigate the potential of AL001 for patients suffering from BD, MDD and PTSD by submitting Investigational New Drug ("IND") applications to the FDA for these indications. The IND for BD was filed in August 2023 and the INDs for MDD and PTSD are expected to be filed by the end of 2023. After FDA permission to proceed on the INDs, we intend to initiate clinical trials at this MTD to determine relative increased lithium levels in the brain compared to a marketed lithium salt for BD, MDD and PTSD, based on published mouse studies that predict that lithium can be given at lower doses for equivalent therapeutic benefit when treating with AL001. For example, the goal is to replace a 300 mg TID lithium carbonate dose for treatment of BD with a 240 mg TID AL001 lithium equivalent, which represents a daily decrease of 20% of lithium given to a patient.

We submitted a pre-IND meeting request for ALZN002 and supporting briefing documents to the Center for Biological Evaluation and Research of the FDA on July 30, 2021. We received a written response relating to the pre-IND from the FDA providing a path for Alzamend's planned clinical development of ALZN002 on September 30, 2021. The FDA agreed to allow Alzamend to submit an IND to conduct a combined Phase I/II study.

On September 28, 2022, we submitted an IND application to the FDA for ALZN002 and received a "study may proceed" letter on October 31, 2022. The product candidate is an immunotherapy vaccine designed to treat mild to moderate dementia of the Alzheimer's type. ALZN002 is a proprietary "active" immunotherapy product, which means it is produced by each patient's immune system. It consists of autologous DCs that are activated white blood cells taken from each individual patient so that they can be engineered outside of the body to attack Alzheimer's-related amyloid-beta proteins. These DCs are pulsed with a novel amyloid-beta peptide (E22W) designed to bolster the ability of the patient's immune system to combat Alzheimer's; the goal being to foster tolerance to treatment for safety purposes while stimulating the immune system to reduce the brain's beta-amyloid protein burden, resulting in reduced Alzheimer's signs and symptoms. Compared to passive immunization treatment approaches that use foreign blood products (such as monoclonal antibodies), active immunization with ALZN002 is anticipated to offer a more robust and long-lasting effect on the clearance of amyloid. This could provide a safer approach due to its reliance on autologous immune components, using each individual patient's own white blood cells rather than foreign cells and/or blood products.

On April 3, 2023, we announced the initiation of a Phase I/IIA clinical trial for ALZN002 to treat mild to moderate dementia of the Alzheimer's type. The purpose of this trial is to assess the safety, tolerability, and efficacy of multiple ascending doses of ALZN002 compared with that of placebo in 20-30 subjects with mild to moderate morbidity. The primary goal of this clinical trial is to determine an appropriate dose of ALZN002 for treatment of patients with Alzheimer's in a larger Phase IIB efficacy and safety clinical trial, which Alzamend expects to initiate within three months of receiving data from the initial trial.

The continuation of our current plan of operations with respect to completing our IND applications and conducting the series of human clinical trials for each of our therapeutics requires us to raise additional capital to fund our operations.

Because our working capital requirements depend upon numerous factors, including the progress of our preclinical and clinical testing, timing and cost of obtaining regulatory approvals, changes in levels of resources that we devote to the development of manufacturing and marketing capabilities, competitive and technological advances, status of competitors, and our ability to establish collaborative arrangements with other organizations, we will require additional financing to fund future operations.

Results of Operations

Results of Operations for the Three Months Ended July 31, 2023 and 2022

The following table summarizes the results of our operations for the three months ended July 31, 2023 and 2022.

	For the Three Months Ended July 31,			
	2023	**2022**	**$ Change**	**% Change**
OPERATING EXPENSES				
Research and development	$ 2,366,137	$ 1,375,953	$ 990,184	72%
General and administrative	1,159,794	1,659,589	(499,795)	-30%
Total operating expenses	3,525,931	3,035,542	490,389	16%
Loss from operations	(3,525,931)	(3,035,542)	(490,389)	16%
OTHER EXPENSE, NET				
Interest expense	(1,835)	(1,532)	(303)	*
Total other expense, net	(1,835)	(1,532)	(303)	*
NET LOSS	$ (3,527,766)	$ (3,037,074)	$ (490,692)	16%
Basic and diluted net loss per common share	$ (0.04)	$ (0.03)	$ (0.01)	*
Basic and diluted weighted average common shares outstanding	98,440,124	97,481,790		*

* Not meaningful

Revenue

We currently have only two product candidates, AL001 and ALZN002. These products are in the clinical stage of development and will require extensive clinical study, review and evaluation, regulatory review and approval, significant marketing efforts and substantial investment before either or both of them, and any respective successors, will provide us with any revenue. We did not generate any revenues during the three months ended July 31, 2023 and 2022, and we do not anticipate that we will generate revenue for the foreseeable future.

Research and Development Expenses

Research and development expenses for the three months ended July 31, 2023 and 2022 were $2.4 million and $1.4 million, respectively. As reflected in the table below, research and development expenses primarily consisted of professional fees, clinical trial fees and licenses and fees.

	For the Three Months Ended July 31,			
	2023	2022	$ Change	% Change
Professional fees	$ 1,069,589	$ 1,193,172	$ (123,583)	-10%
Clinical trial fees	1,245,118	23,500	1,221,618	5,198%
Licenses and fees	-	3,542	(3,542)	*
Other research and development expenses	51,430	155,739	(104,309)	-67%
Total research and development expenses	$ 2,366,137	$ 1,375,953	$ 990,184	72%

*Not meaningful

Professional Fees

During the three months ended July 31, 2023 and 2022, we reported professional fees of $1.1 million and $1.2 million, respectively, which were principally comprised of professional fees attributed to various types of scientific services, including FDA consulting services. The decrease relates to lower professional fees incurred related to Phase IIA clinical trial monitoring AL001 partially offset by increased professional fees related to IND preparation for the additional indications for AL001.

Clinical Trial Fees

During the three months ended July 31, 2023 and 2022, we incurred clinical trial fees of $1.2 million and $24,000, respectively. Clinical trial fees for the three months ended July 31, 2023, consisted of $926,000 for our Phase IIA clinical trial for AL001 and $319,000 for our Phase IIA clinical trial for ALZN002. Clinical trial fees for the three months ended July 31, 2022 were for our Phase I clinical trial for AL001.

Licenses and Fees

There are certain initial license fees and milestone payments required to be paid to the University of South Florida and the Licensor, for the licenses of the technologies, pursuant to the terms of the License Agreement with Sublicensing Terms.

Other Research and Development Expenses

During the three months ended July 31, 2023 and 2022, we incurred other fees of $51,000 and $156,000, respectively, which were principally comprised of scientific materials required for our clinical trials.

General and Administrative Expenses

General and administrative expenses for the three months ended July 31, 2023 and 2022 were $1.2 million and $1.7 million, respectively. As reflected in the table below, general and administrative expenses primarily consisted of the following expense categories: stock-based compensation expense; marketing fees; professional fees; insurance; as well as salaries and benefits. For the three months ended July 31, 2023 and 2022, the remaining general and administrative expenses of $121,000 and $128,000, respectively, primarily consisted of payments for filing fees, transfer agent fees, travel and entertainment, board of director fees and other office expenses, none of which is significant individually.

	For the Three Months Ended July 31,			
	2023	**2022**	**$ Change**	**% Change**
Stock-based compensation expense	$ 369,380	$ 867,338	$ (497,958)	-57%
Professional fees	151,180	243,400	(92,220)	-38%
Insurance	117,696	196,427	(78,731)	-40%
Salary and benefits	153,324	223,777	(70,453)	-31%
Travel and entertainment	29,668	56,277	(26,609)	-47%
Marketing fees	247,334	600	246,734	41,122%
Board of director fees	37,500	37,500	-	0%
Other general and administrative expenses	53,712	34,270	19,442	57%
Total general and administrative expenses	$ 1,159,794	$ 1,659,589	$ (499,795)	-30%

Stock-Based Compensation Expense

During the three months ended July 31, 2023 and 2022, we incurred general and administrative stock-based compensation expense of $369,000 and $867,000, respectively, related to stock option grants to executives, employees and consultants. All option grants are granted at the per share fair value on the grant date. Vesting of options differs based on the terms of each option. We valued the options at their date of grant utilizing the Black-Scholes option pricing model. We valued the shares issued for services at their intrinsic value on the date of issuance. Stock-based compensation is a non-cash expense because we settle these obligations by issuing shares of our common stock from authorized shares instead of settling such obligations with cash payments.

Professional Fees

During the three months ended July 31, 2023 and 2022, we reported professional fees of $151,000 and $243,000, respectively, which were principally comprised of the following items:

Three Months Ended July 31, 2023

- During the three months ended July 31, 2023, we incurred $78,000 in audit fees, $16,000 in tax preparation fees, $13,000 in related party consulting, $6,000 in Sarbanes-Oxley compliance fees and $3,000 in miscellaneous fees.

Three Months Ended July 31, 2022

- During the three months ended July 31, 2022, we recorded an expense of $70,000 in connection with the five-year consulting agreement with Spartan Capital.
- During the three months ended July 31, 2022, we incurred $80,000 in audit fees, $23,000 in Sarbanes-Oxley compliance fees, $24,000 in tax preparation fees and $13,000 in related party consulting.

Insurance Expense

During the three months ended July 31, 2023 and 2022, we incurred insurance expense of $118,000 and $196,000, respectively, which was primarily directors' and officers' insurance.

Salaries and Benefits

During the three months ended July 31, 2023 and 2022, we incurred $153,000 and $224,000, respectively, in employee-related expenses. As of July 31, 2023, we had four full-time and three part-time employees.

Marketing Fees

During the three months ended July 31, 2023 and 2022, we incurred marketing fees of $247,000 and $1,000, respectively, which was primarily expenses related to the marketing and brand development agreement with Ault Alliance, Inc., a related party.

Liquidity and Capital Resources

The accompanying financial statements have been prepared assuming that we will continue as a going concern. We have incurred recurring net losses and operations have not provided sufficient cash flows. We believe that we will continue to incur operating and net losses each quarter until at least the time we are able to generate revenues from operations. We believe our current cash on hand is insufficient to fund our planned operations through one year after the date the financial statements are issued. These factors create substantial doubt about our ability to continue as a going concern for at least one year after the date that our financial statements are issued.

Our inability to continue as a going concern could have a negative impact on our company, including our ability to obtain needed financing. We intend to finance our future development activities and our working capital needs largely through the sale of equity securities with some additional funding from other sources, including debt financing, until such time as funds provided by operations are sufficient to fund working capital requirements. Our financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should we be unable to continue as a going concern. As of July 31, 2023, we had cash of $1.7 million, an accumulated deficit of $47.6 million and stockholders' deficit of $113,000. We have incurred recurring losses and reported losses for the three months ended July 31, 2023 totaling $3.5 million. In the past, we have financed our operations principally through sales of equity securities and debt instruments.

We will need to obtain substantial additional funding in the future for our clinical development activities and continuing operations. If we are unable to raise capital when needed or on favorable terms, we would be forced to delay, reduce, or eliminate our research and development programs or future commercialization efforts. Our future capital requirements will depend on many factors, including:

- successful enrollment in and completion of clinical trials;
- our ability to establish agreements with third-party manufacturers for clinical supply for our clinical trials and, if our product candidates are approved, commercial manufacturing;
- our ability to maintain our current research and development programs and establish new research and development programs;
- addition and retention of key research and development personnel;
- our efforts to enhance operational, financial, and information management systems, and hire additional personnel, including personnel to support development of our product candidates;
- negotiating favorable terms in any collaboration, licensing, or other arrangements into which we may enter and performing our obligations in such collaborations;
- the timing and amount of milestone and other payments we may receive under our collaboration arrangements;
- our eventual commercialization plans for our product candidates;
- the costs involved in prosecuting, defending, and enforcing patent claims and other intellectual property claims; and
- the costs and timing of regulatory approvals.

A change in the outcome of any of these or other variables with respect to the development of any of our product candidates could significantly change the costs and timing associated with the development of that product candidate. Furthermore, our operating plans may change in the future, and we may need additional funds to meet operational needs and capital requirements associated with such operating plans.

On September 8, 2023, we entered into a Sales Agreement with Ascendiant Capital Markets, LLC, as sales agent to sell Shares from time to time, through an ATM Offering as defined in Rule 415 under the Securities Act. On September 8, 2023, we filed a prospectus supplement with the SEC relating to the offer and sale of up to approximately $9.8 million in shares of common stock in the ATM Offering.

The offer and sale of the Shares will be made pursuant to our effective "shelf" registration statement on Form S-3 and an accompanying base prospectus contained therein (Registration Statement No. 333-273610) filed with the SEC on August 2, 2023 and declared effective by the SEC on August 10, 2023.

Cash Flows

The following table summarizes our cash flows for the three months ended July 31, 2023 and 2022:

	For the Three Months Ended July 31,	
	2023	**2022**
Net cash used in:		
Operating activities	$ (3,298,200)	$ (2,536,690)
Investing activities	(147,243)	-
Net decrease in cash	$ (3,445,443)	$ (2,536,690)

Operating Activities

During the three months ended July 31, 2023, net cash used in operating activities was $3.3 million. This consisted primarily of a net loss of $3.5 million and a decrease in our net operating assets and liabilities of $152,000, partially offset by non-cash charges of $382,000. The non-cash charges primarily consisted of stock-based compensation expense. The decrease in our net operating assets and liabilities was due to a decrease in accounts payable and accrued liabilities, an increase in prepaid expenses and other current assets and a decrease in prepaid expenses - related party.

Investing Activities

During the three months ended July 31, 2023, net cash used in investing activities was $147,000 from the purchase of machinery and equipment. We purchased equipment, which draws blood from patients and separates the monocytes from their blood, to be used in the ALZN002 clinical trials.

Financing Activities

There were no financing activities for the three months ended July 31, 2023 or 2022.

Contractual Obligations

On July 2, 2018, we entered into two Standard Exclusive License Agreements with Sublicensing Terms for AL001 with the Licensor and its affiliate, the University of South Florida (the "AL001 Licenses"), pursuant to which the Licensor granted us a royalty bearing exclusive worldwide licenses limited to the field of Alzheimer's, under United States Patent Nos. (i) 9,840,521, entitled "Organic Anion Lithium Ionic Cocrystal Compounds and Compositions", filed September 24, 2015 and granted December 12, 2017, and (ii) 9,603,869, entitled "Lithium Co-Crystals for Treatment of Neuropsychiatric Disorders", filed May 21, 2016 and granted March 28, 2017. On February 1, 2019, we entered into the First Amendments to the AL001 Licenses, on March 30, 2021, we entered into the Second Amendments to the AL001 Licenses and on June 8, 2023, we entered into the Third Amendments to the AL001 Licenses (collectively, the "AL001 License Agreements"). The Third Amendments to the AL001 Licenses modified the timing of the payments license fees.

The AL001 License Agreements require that we pay combined royalty payments of 4.5% on net sales of products developed from the licensed technology for AL001. We have already paid an initial license fee of $200,000 for AL001. As an additional licensing fee for the license of the AL001 technologies, the Licensor received 2,227,923 shares of our common stock. Minimum royalties for AL001 License Agreements are $40,000 on the first anniversary of the first commercial sale, $80,000 on the second anniversary of the first commercial sale and $100,000 on the third anniversary of the first commercial sale and every year thereafter, for the life of the AL001 License Agreements.

On May 1, 2016, we entered into a Standard Exclusive License Agreement with Sublicensing Terms for ALZN002 with the Licensor (the "ALZN002 License"), pursuant to which the Licensor granted us a royalty bearing exclusive worldwide license limited to the field of Alzheimer's Immunotherapy and Diagnostics, under United States Patent No. 8,188,046, entitled "Amyloid Beta Peptides and Methods of Use", filed April 7, 2009 and granted May 29, 2012. On August 18, 2017, we entered into the First Amendment to the ALZN002 License, on May 7, 2018, we entered into the Second Amendment to the ALZN002 License, on January 31, 2019, we entered into the Third Amendment to the ALZN002 License, on January 24, 2020, we entered into the Fourth Amendment to the ALZN002 License, on March 30, 2021, we entered into the Fifth Amendment to the ALZN002 License and on April 17, 2023, we entered into the Sixth Amendment to the ALZN002 License (collectively, the "ALZN002 License Agreement"). The Sixth Amendments to the ALZN002 License modified the timing of the payments license fees.

The ALZN002 License Agreement requires us to pay royalty payments of 4% on net sales of products developed from the licensed technology for ALZN002. We have already paid an initial license fee of $200,000 for ALZN002. As an additional licensing fee for the license of ALZN002, the Licensor received 3,601,809 shares of our common stock. Minimum royalties for ALZN002 are $20,000 on the first anniversary of the first commercial sale, $40,000 on the second anniversary of the first commercial sale and $50,000 on the third anniversary of the first commercial sale and every year thereafter, for the life of the ALZN002 License Agreement.

On November 19, 2019, we entered into two Standard Exclusive License Agreements with Sublicensing Terms for two additional indications of AL001 with the Licensor (the "November AL001 License"), pursuant to which the Licensor granted us a royalty bearing exclusive worldwide licenses limited to the fields of (i) neurodegenerative diseases excluding Alzheimer's and (ii) psychiatric diseases and disorders. On March 30, 2021, we entered into the First Amendments to the November AL001 License and on April 17, 2023, we entered into the Second Amendments to the November AL001 License (collectively, the "November AL001 License Agreements"). The Second Amendments to the November AL001 License modified the timing of the payments license fees.

The November AL001 License Agreements require us to pay royalty payments of 3% on net sales of products developed from the licensed technology for AL001 in those fields. We paid an initial license fee of $20,000 for the additional indications. Minimum royalties for November AL001 License Agreements are $40,000 on the first anniversary of the first commercial sale, $80,000 on the second anniversary of the first commercial sale and $100,000 on the third anniversary of the first commercial sale and every year thereafter, for the life of the November AL001 License Agreements.

These license agreements have an indefinite term that continue until the later of the date no licensed patent under the applicable agreement remains a pending application or enforceable patent, the end date of any period of market exclusivity granted by a governmental regulatory body, or the date on which the licensee's obligations to pay royalties expire under the applicable license agreement. Under our various license agreements, if we fail to meet a milestone by its specified date, Licensor may terminate the license agreement. The Licensor was also granted a preemptive right to acquire such shares or other equity securities that may be issued from time to time by us while the Licensor remains the owner of any equity securities of our company.

Additionally, we are required to pay milestone payments on the due dates to the Licensor for the license of the AL001 technologies and for the ALZN002 technology, as follows:

Original AL001 Licenses:

Payment	Due Date	Event
$ 50,000 *	Completed September 2019	Pre-IND meeting
$ 65,000 *	Completed June 2021	IND application filing
$ 190,000 *	Completed December 2021	Upon first dosing of patient in a clinical trial
$ 500,000 *	Completed March 2022	Upon completion of first clinical trial
$ 1,250,000	24 months from completion of the first Phase II clinical trial	Upon first patient treated in a Phase III clinical trial
$ 10,000,000	8 years from the effective date of the agreement	Upon FDA NDA approval

* Milestone met and completed

ALZN002 License:

Payment	Due Date	Event
$ 50,000 *	Completed January 2022	Upon IND application filing
$ 50,000	September 2023	Upon first dosing of patient in Phase I clinical trial
$ 500,000	24 months from completion of first Phase I clinical trial	Upon completion of first Phase II clinical trial
$ 1,000,000	12 months from completion of first Phase II clinical trial	Upon first patient treated in a Phase III clinical trial
$ 10,000,000	7 years from the effective date of the agreement	Upon FDA Biologics License Application approval

* Milestone met and completed

Additional AL001 Licenses:

Payment	Due Date	Event
$ 2,000,000	36 months from completion of first Phase II clinical trial	Upon first patient treated in a Phase III clinical trial
$ 16,000,000	August 1, 2029	First commercial sale

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Recent Accounting Standards

None.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Because we are a smaller reporting company, this section is not applicable.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We have established disclosure controls and procedures designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and is accumulated and communicated to management, including the principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

Our principal executive officer and principal financial officer, with the assistance of other members of the Company's management, have evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this quarterly report. Based upon our evaluation, each of our principal executive officer and principal financial officer has concluded that the Company's internal control over financial reporting was not effective as of the end of the period covered by this Quarterly Report on Form 10-Q because the Company has not yet completed its remediation of the material weakness previously identified and disclosed in the Company's Annual Report on Form 10-K for the year ended April 30, 2023, the end of its most recent fiscal year.

Specifically, management has identified the following material weaknesses:

1. we do not have sufficient resources in our accounting function, which restricts our ability to perform sufficient reviews and approval of manual journal entries posted to the general ledger and to consistently execute review procedures over general ledger account reconciliations, financial statement preparation and accounting for non-routine transactions; and

2. our primary user access controls (i.e., provisioning, de-provisioning, privileged access and user access reviews) to ensure appropriate authorization and segregation of duties that would adequately restrict user and privileged access to the financially relevant systems and data to appropriate personnel were not designed and/or implemented effectively. We did not design and/or implement sufficient controls for program change management to certain financially relevant systems affecting our processes.

A material weakness is a control deficiency or combination of control deficiencies that result in more than a remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected.

Planned Remediation

We are implementing measures designed to improve our internal control over financial reporting to remediate material weaknesses, including the following:

- Formalizing our internal control documentation and strengthening supervisory reviews by our management; and

- Adding additional accounting personnel and segregating duties amongst accounting personnel.

Management continues to work to improve its controls related to our material weaknesses, specifically relating to user access and change management surrounding our information technology systems and applications. Management will continue to implement measures to remediate material weaknesses, such that these controls are designed, implemented, and operating effectively. The remediation actions include: (i) enhancing design and documentation related to both user access and change management processes and control activities; and (ii) developing and communicating additional policies and procedures to govern the area of information technology change management. In order to achieve the timely implementation of the above, management has commenced the following actions and will continue to assess additional opportunities for remediation on an ongoing basis:

- Engaging a third-party specialist to assist management with improving the Company's overall control environment, focusing on change management and access controls; and

- Implementing new applications and systems that are aligned with management's focus on creating strong internal controls.

We are currently working to improve and simplify our internal processes and implement enhanced controls, as discussed above, to address the material weaknesses in our internal control over financial reporting and to remedy the ineffectiveness of our disclosure controls and procedures. These material weaknesses will not be considered to be remediated until the applicable remediated controls are operating for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Despite the existence of these material weaknesses, we believe that the condensed financial statements included in the period covered by this Quarterly Report on Form 10-Q fairly present, in all material respects, our financial condition, results of operations and cash flows for the periods presented in conformity with U.S. generally accepted accounting principles.

Changes in Internal Control

Except as detailed above, during the quarter ended July 31, 2023, there was no change in our internal control over financial reporting that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may be subject to legal proceedings. We are not currently a party to or aware of any proceedings that we believe will have, individually or in the aggregate, a material adverse effect on our business, financial condition or results of operations. Regardless of outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

ITEM 1A. RISK FACTORS

The risks described in Part I, Item 1A, "Risk Factors," in our 2023 Annual Report on Form 10-K, could materially and adversely affect our business, financial condition and results of operations, and the trading price of our Common Stock could decline. These risk factors do not identify all risks that we face - our operations could also be affected by factors that are not presently known to us or that we currently consider to be immaterial to our operations. Due to risks and uncertainties, known and unknown, our past financial results may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. The Risk Factors section of our 2023 Annual Report on Form 10-K remains current in all material respects.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit No.	Exhibit Description
3.1	Certificate of Incorporation (incorporated by reference to Exhibit 2.1 of Form DOS filed with the SEC on August 19, 2016).
3.2	Amended and Restated Bylaws.
3.3	Certificate of Designation of Alzamend Neuro, Inc. Series A Convertible Preferred Stock, dated May 30, 2016 (incorporated by reference to Exhibit 2.3 of Form 1-A/A filed with the SEC on February 4, 2020).
10.1	Form of Amendment to Standard Exclusive License Agreement with Sublicensing Terms Number LIC18110 with the University of South Florida Research Foundation, Inc., dated June 8, 2023 (incorporated by reference to Exhibit 10.16 of the Annual Report on Form 10-K filed with the SEC on July 27, 2023).
10.2	Form of Amendment to Standard Exclusive License Agreement with Sublicensing Terms Number LIC18111 with the University of South Florida Research Foundation, Inc., dated June 8, 2023 (incorporated by reference to Exhibit 10.17 of the Annual Report on Form 10-K filed with the SEC on July 27, 2023).
31.1*	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a).
31.2*	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a).
32.1**	Certification of Chief Executive and Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code.
101.INS*	XBRL Instance Document. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

*Filed herewith.

** This certification will not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent specifically incorporated by reference into such filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALZAMEND NEURO, INC.

Date: September 13, 2023

By: /s/ Stephan Jackman
Stephan Jackman
Chief Executive Officer (principal executive officer)

Date: September 13, 2023

By: /s/ David J. Katzoff
David J. Katzoff
Chief Financial Officer (principal financial and accounting officer)

EXHIBIT 31.1

CERTIFICATION

I, Stephan Jackman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Alzamend Neuro, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 13, 2023

/s/ Stephan Jackman

Name: Stephan Jackman
Title: Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, David J. Katzoff, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Alzamend Neuro, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 13, 2023

/s/ David J. Katzoff
Name: David J. Katzoff
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Alzamend Neuro, Inc. (the "Company") on Form 10-Q for the period ended July 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: September 13, 2023

By: /s/ Stephan Jackman
Name: Stephan Jackman
Title: Chief Executive Officer
(Principal Executive Officer)

Date: September 13, 2023

By: /s/ David J. Katzoff
Name: David J. Katzoff
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)