

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
§ 240.13d-2(a)

(Amendment No.)¹

Milestone Pharmaceuticals Inc.
(Name of Issuer)

Common Shares, no par value
(Title of Class of Securities)

59935V107
(CUSIP Number)

Gilbert Li
Alta Fundamental Advisers LLC
1500 Broadway, Suite 704
New York, NY 10036
(212) 319-1778

Kenneth Mantel, Esq.
Olshan Frome Wolosky LLP
1325 Avenue of the Americas
New York, New York 10019
(212) 451-2300
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

November 6, 2023
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

¹ The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the *Notes*).

1	NAME OF REPORTING PERSON Alta Fundamental Advisers LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 1,671,289
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 1,671,289
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,671,289	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 5.0%	
14	TYPE OF REPORTING PERSON OO, IA	

1	NAME OF REPORTING PERSON Gilbert Li	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION United States of America	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 1,671,289
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 1,671,289
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,671,289	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 5.0%	
14	TYPE OF REPORTING PERSON IN, HC	

1	NAME OF REPORTING PERSON Jeremy Carton	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS OO	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION United States of America	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 1,671,289
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 1,671,289
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 1,671,289	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 5.0%	
14	TYPE OF REPORTING PERSON IN, HC	

The following constitutes the Schedule 13D filed by the undersigned (the “Schedule 13D”).

Item 1. Security and Issuer.

This statement relates to the Common Shares, no par value (the “Shares”), of Milestone Pharmaceuticals Inc., a corporation incorporated under the Business Corporations Act (Québec) (the “Issuer”). The address of the principal executive offices of the Issuer is 1111 Dr. Frederik-Philips Boulevard, Suite 420, Montréal, Québec CA H4M 2X6.

Item 2. Identity and Background.

(a) This statement is filed by:

- (i) Alta Fundamental Advisers LLC, a Delaware limited liability company (“Alta Advisers”), as the investment adviser to certain private funds and managed accounts;
- (ii) Gilbert Li, as managing member of Alta Advisers; and
- (iii) Jeremy Carton, as managing member of Alta Advisers.

Each of the foregoing is referred to as a “Reporting Person” and collectively as the “Reporting Persons.” Each of the Reporting Persons is party to that certain Joint Filing Agreement, as further described in Item 6. Accordingly, the Reporting Persons are hereby filing a joint Schedule 13D.

(b) The principal business address of each of Alta Advisers and Messrs. Li and Carton is 1500 Broadway, Suite 704, New York, NY 10036.

(c) The principal business of Alta Advisers is serving as the investment adviser to certain private funds and managed accounts. The principal business of each of Messrs. Li and Carton is serving as managing member of Alta Advisers.

(d) During the last five years, none of the Reporting Persons has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) During the last five years, none of the Reporting Persons has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree of final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Messrs. Li and Carton are citizens of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration.

The Shares beneficially owned by the Reporting Persons were purchased with the working capital of certain private funds and managed accounts for which Alta Fundamental serves as investment adviser (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business) in open market purchases. The aggregate purchase price of the 1,671,289 Shares beneficially owned by the Reporting Persons is approximately \$5,861,578, excluding brokerage commissions.

Item 4. Purpose of Transaction.

The Reporting Persons purchased the Shares based on the Reporting Persons' belief that the Shares, when purchased, were undervalued and represented an attractive investment opportunity. Depending upon overall market conditions, other investment opportunities available to the Reporting Persons, and the availability of Shares at prices that would make the purchase or sale of Shares desirable, the Reporting Persons may endeavor to increase or decrease their position in the Issuer through, among other things, the purchase or sale of Shares on the open market or in private transactions or otherwise, on such terms and at such times as the Reporting Persons may deem advisable.

Alta Advisers has engaged, and intends to continue to engage, in communications with the Issuer's Board of Directors (the "Board") and management team regarding opportunities to unlock shareholder value. On November 9, 2023, Alta Advisers delivered a letter to the Board. In the letter, Alta Advisers expressed its concern that, given the Issuer's lack of existing resources, the Issuer will continue to pursue non-value maximizing options including raising funds through highly dilutive equity issuances and/or exceedingly expensive debt financings to pay for the Issuer's plans to commercialize its lead product candidate, Etripamil. Alta Advisers believes that this risky and expensive approach to commercializing Etripamil would negatively impact existing shareholders and threaten to undermine the work the Issuer has done in developing Etripamil. Alta Advisers is convinced that the Issuer should explore a sale of the Company or a strategic partnership as the best means to maximize shareholder value and ensure that Etripamil will be able to make a meaningful difference in the lives of patients. A copy of the letter is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

No Reporting Person has any present plan or proposal which would relate to or result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D except as set forth herein or such as would occur upon or in connection with completion of, or following, any of the actions discussed herein. The Reporting Persons intend to review their investment in the Issuer on a continuing basis. Depending on various factors including, without limitation, the Issuer's financial position and investment strategy, the price levels of the Shares, conditions in the securities markets and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investment in the Issuer as they deem appropriate including, without limitation, engaging in additional communications with management and the Board, engaging in discussions with shareholders of the Issuer or other third parties about the Issuer and the Reporting Persons' investment, including potential business combinations or dispositions involving the Issuer or certain of its businesses, making recommendations or proposals to the Issuer concerning changes to the capitalization, ownership structure, board structure (including board composition), potential business combinations or dispositions involving the Issuer or certain of its businesses, or suggestions for improving the Issuer's financial and/or operational performance, purchasing additional Shares, selling some or all of their Shares, engaging in short selling of or any hedging or similar transaction with respect to the Shares, including swaps and other derivative instruments, or changing their intention with respect to any and all matters referred to in Item 4.

Item 5. Interest in Securities of the Issuer.

The aggregate percentage of Shares reported owned by each person named herein is based upon 33,382,769 Shares outstanding as of August 10, 2023, which is the total number of Shares outstanding as reported in the Issuer's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 10, 2023.

A. Alta Advisers

- (a) Alta Advisers, as the investment adviser to certain private funds and managed accounts, may be deemed to beneficially own the 1,671,289 Shares held by such private funds and managed accounts.
- Percentage: Approximately 5.0%
- (b)
1. Sole power to vote or direct vote: 0
 2. Shared power to vote or direct vote: 1,671,289
 3. Sole power to dispose or direct the disposition: 0
 4. Shared power to dispose or direct the disposition: 1,671,289
- (c) The transactions in the Shares by Alta Advisers on behalf of certain private funds and managed accounts during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

B. Messrs. Li and Carton

- (a) As managing members of Alta Advisers, Messrs. Li and Carton may be deemed to beneficially own the 1,671,289 Shares beneficially owned by Alta Advisers.
- Percentage: Approximately 5.0%
- (b)
1. Sole power to vote or direct vote: 0
 2. Shared power to vote or direct vote: 1,671,289
 3. Sole power to dispose or direct the disposition: 0
 4. Shared power to dispose or direct the disposition: 1,671,289
- (c) Messrs. Li and Carton have not entered into any transactions in the Shares during the past 60 days. The transactions in the Shares by Alta Advisers on behalf of certain private funds and managed accounts during the past 60 days are set forth in Schedule A and are incorporated herein by reference.

The filing of this Schedule 13D shall not be deemed an admission that the Reporting Persons are, for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended, the beneficial owners of any securities of the Issuer that he or it does not directly own. Each of the Reporting Persons specifically disclaims beneficial ownership of the securities reported herein that he or it does not directly own.

- (d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Shares.
- (e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

On November 9, 2023, the Reporting Persons entered into a Joint Filing Agreement in which the Reporting Persons agreed to the joint filing on behalf of each of them of statements on Schedule 13D with respect to the securities of the Issuer to the extent required by applicable law. The Joint Filing Agreement is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Other than as described herein, there are no contracts, arrangements, understandings or relationships among the Reporting Persons, or between the Reporting Persons and any other person, with respect to the securities of the Issuer.

Item 7. Material to be Filed as Exhibits.

99.1 Letter to the Board, dated November 9, 2023.

99.2 Joint Filing Agreement by and among the Reporting Persons, dated November 9, 2023.

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: November 9, 2023

ALTA FUNDAMENTAL ADVISERS LLC

By: /s/ Gilbert Li

Name: Gilbert Li

Title: Managing Member

/s/ Gilbert Li

GILBERT LI

Individually and as attorney-in-fact for Jeremy Carton

SCHEDULE A

Transactions in the Shares During the Past 60 Days

<u>Nature of the Transaction</u>	<u>Amount of Securities Purchased/(Sold)</u>	<u>Price (\$)</u>	<u>Date of Purchase/Sale</u>
<u>ALTA FUNDAMENTAL ADVISERS LLC</u>			
<u>(On Behalf of Certain Private Funds and Managed Accounts)</u>			
Purchase of Common Stock	27,400	\$2.9319	09/11/2023
Purchase of Common Stock	8,300	\$2.9995	09/12/2023
Purchase of Common Stock	50,000	\$3.0578	09/15/2023
Purchase of Common Stock	50,000	\$3.0462	09/18/2023
Purchase of Common Stock	18,200	\$3.0110	09/19/2023
Purchase of Common Stock	21,400	\$2.9805	09/21/2023
Purchase of Common Stock	13,228	\$2.9993	09/22/2023
Purchase of Common Stock	62,300	\$2.9495	09/26/2023
Purchase of Common Stock	6,900	\$2.9887	09/27/2023
Purchase of Common Stock	20,500	\$3.0701	09/29/2023
Purchase of Common Stock	73,500	\$2.9029	10/03/2023
Purchase of Common Stock	54,100	\$2.9432	10/04/2023
Purchase of Common Stock	11,100	\$3.0724	10/05/2023
Purchase of Common Stock	105,100	\$2.9923	10/06/2023
Purchase of Common Stock	50,000	\$3.0535	10/10/2023
Purchase of Common Stock	21,100	\$2.9947	10/11/2023
Purchase of Common Stock	30,200	\$2.9211	10/13/2023
Purchase of Common Stock	25,000	\$2.9421	10/16/2023
Purchase of Common Stock	25,000	\$2.6812	10/19/2023
Purchase of Common Stock	70,000	\$2.4672	10/25/2023
Purchase of Common Stock	30,000	\$2.7368	11/06/2023



November 9, 2023

Milestone Pharmaceuticals
1111 Dr. Frederik-Philips Boulevard, Suite 420
Montreal, Quebec CA H4M 2x6
Attention: Board of Directors

Dear Members of the Board,

By way of re-introduction, our firm – a New York based private investment fund – seeks to invest in undervalued companies that can deliver shareholder value through key catalysts or events. After a lengthy due-diligence process, we identified Milestone Pharmaceuticals as a great fit for our strategy because of the successful late-stage trials of Etripamil, recent New Drug Application (NDA) submission for CARDAMYST, and potential markets for PSVT and A-Fib. We are significant shareholders – currently owning over 5% of the outstanding shares – and are deeply invested in the strategic directions that will shape Milestone’s forward trajectory. We believe Etripamil will significantly enhance the quality of life for many patients and commend the company’s efforts in developing Etripamil for the cardiovascular market, which is currently devoid of novel arrhythmia treatments.

However, we have tremendous concerns regarding the commercialization strategy of the company for Etripamil. Milestone currently does not have the adequate resources and infrastructure to commercialize Etripamil on its own, and seeking to acquire those resources would be risky and prohibitively expensive, and not in the best interest of shareholders and other stakeholders. In our view, Etripamil, and the patients that stand to benefit from it, would be better served through commercialization by a company with an established infrastructure, greater resources, and a track record for successfully launching cardiovascular products. We believe that a strategic combination with such partners would enable Milestone to realize greater value than it could achieve in isolation. Based on the company’s poor stock price performance, we believe that many other shareholders have the same concern.

This is now our third letter to you on this topic, reflecting our continued concern over Milestone’s strategic direction. Our first two letters and subsequent conversations with management have been underwhelming. In fact, management did not respond to our initial attempts to engage with them, and they only acknowledged us when we directed a letter to the Board. Besides exchanging pleasantries, little has changed since, as our concerns have fallen on deaf ears.

Alta Fundamental Advisers LLC • 1500 Broadway Suite 704 • New York, New York 10036

Phone: 212.319.1778 • Fax: 212.319.1105



We call for the Board to undertake a strategic review immediately. We firmly believe that both management and the Board must take the following steps as fiduciaries to all stakeholders and not embark on an unnecessarily risky standalone strategy for this life-changing drug:

1. Evaluate Strategic Alternatives

Retain a reputable investment bank to explore strategic alternatives, including mergers and/or the sale of the company.

2. Board Reconstitution

Appoint new Board members who possess one of the following traits, to help guide the company through the strategic process and regain the trust of investors:

- (i) extensive background in mergers and acquisitions within the pharmaceutical industry
- (ii) is truly aligned with shareholder interests.

Evaluating Strategic Alternatives to Maximize Shareholder Value

It is imperative to improve Etripamil's future trajectory through an immediate change in Milestone's approach to commercialization. Based on the company's share price performance, the market has made it abundantly clear that the value of Etripamil under the company's current strategy is essentially zero. Milestone's market capitalization and share price are trading in a manner that suggests the only asset of value in the company is its current cash holdings, which are depleting daily. Notably, the company's market capitalization has suffered a 70% decrease, despite the unequivocal positive clinical trial results that were announced in July 2022. Shareholders have made their opinions clear through their financial actions. Any additional costly financings or highly dilutive equity capital raises will only serve to further aggravate and deepen the mistrust from your stakeholders. They, as well as our firm, strongly oppose Milestone's standalone commercialization strategy.

What is most troubling is management's steadfast commitment to this path of self-commercialization that does not prioritize value maximization. We have had two meetings with the Milestone team this year and have observed no concrete progress on any of the concerns we brought up. The strategic financing announced by Milestone in March 2023, which outlined a \$125 million capital plan from RTW Investments to support commercialization of Etripamil for the PSVT market, was a misguided move. The market potential for Etripamil exceeds the scope of this financing. In addition, this transaction allocates no funds for the development of Phase 3 of the atrial fibrillation solution, despite its significant potential in a larger target market.

Alta Fundamental Advisers LLC • 1500 Broadway Suite 704 • New York, New York 10036

Phone: 212.319.1778 • Fax: 212.319.1105



We would like to emphasize that strategic combinations present a more effective means of achieving greater value in comparison to Milestone's isolated efforts. By employing strategic combinations, Etripamil can extend its reach to a larger patient population and achieve a more substantial market penetration than with a phased launch. Management has a duty and a responsibility to patients living with PSVT to explore avenues that expand Etripamil in broader markets. In addition, the development of Etripamil for atrial fibrillation is equally important, presenting even greater potential for stakeholders and patients. A strategic partnership would prevent the cost of expensive financings and unacceptably dilutive capital raises, while simultaneously maximizing value for all shareholders and promoting public health.

Enhancing the Board of Directors

Considering the substantial decline in the company's stock and the collective vested interest of shareholders in the long-term success of Milestone, we believe it is imperative to enhance the Board to add much needed experience and regain the trust of investors. First, it is crucial to have new Board members who possess direct experience and a successful track record in merging, selling, and overseeing strategic reviews of companies within the pharmaceutical sector. These individuals can actively collaborate with the Board and management to fully unlock Etripamil's potential and maximize value for stakeholders.

Second, it is of utmost importance to have Board members who have interests truly aligned with shareholders. Currently, the company's independent directors hold very few shares, with their interests largely in the form of stock options awarded by the company. In addition, the current Board is centered around mostly of individuals with pharmaceutical commercialization experience. It is of no surprise to us that, with those incentives and limited past experiences, the existing Board is single-mindedly pursuing a risky commercialization strategy over other value-maximizing options. This needs to change. Including better representation of shareholder interests on the Board will better equip it to navigate market challenges and generate value for all stakeholders. A reconstituted Board will also aid in mending the frayed relationship between the company and its shareholders and jumpstart a better investor relations process. Given the substantial decline in stock price, effective communication with current stakeholders, prospective shareholders, and the overall market is imperative for the company.

The time has come to embark on a new path. Milestone has the potential to create significant value for all stakeholders if the Board and management will embrace the necessary changes. We believe that other significant shareholders share our sentiment, and we expect our concerns will receive the serious consideration of the Board and management that they deserve. Again, any additional costly financings or highly dilutive equity capital raises will only serve to further aggravate and deepen the mistrust from your stakeholders.

Alta Fundamental Advisers LLC • 1500 Broadway Suite 704 • New York, New York 10036

Phone: 212.319.1778 • Fax: 212.319.1105



We wish to remind the management and the Board of their fiduciary duty to maximizing value for all stakeholders and urge them to address these concerns promptly. We are available at all times for further discussion.

Sincerely,

/s/ Gilbert Li
Gilbert Li
Managing Partner

Alta Fundamental Advisers LLC • 1500 Broadway Suite 704 • New York, New York 10036

Phone: 212.319.1778 • Fax: 212.319.1105
