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

The securities offered under this prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws. Accordingly, these securities may not be offered or sold within the United States (as such term is used in Regulation S under the 1933 Act) except in compliance with exemptions from the registration requirements of the 1933 Act and applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See "Information Concerning Orletto – Plan of Distribution".

AMENDED AND RESTATED PROSPECTUS DATED JANUARY 31, 2017
AMENDING AND RESTATING THE PROSPECTUS DATED OCTOBER 27, 2016

New Issue January 31, 2017

ORLETTO CAPITAL INC.
(to be named "Devonian Health Group Inc.", following the completion of the Transaction (as defined herein))

MINIMUM OFFERING: $6,000,000 OR 8,000,000 Units
MAXIMUM OFFERING: $10,000,000 OR 13,333,333 Units

Price: $0.75 per Unit

Pursuant to an agreement in principle entered into on May 15, 2015, as amended on April 7, 2016 (the "Agreement in Principle") between Orletto Capital Inc. ("Orletto") and Devonian Health Group Inc. ("Devonian"), Orletto and Devonian undertook to complete a business combination by way of an amalgamation (the "Amalgamation"), pursuant to which Orletto and Devonian will amalgamate to form an entity to be named "Devonian Health Group Inc./Groupe Santé Devonian Inc." (the "Resulting Issuer" or "Amalco") which will constitute the Qualifying Transaction (as defined herein) of Orletto pursuant to Policy 2.4 of the TSX Venture Exchange ("TSXV"). Subject to TSXV, applicable Securities Regulatory Authorities (as defined herein) and applicable shareholder approvals, the Amalgamation will be effected pursuant to the terms and conditions of an amalgamation agreement dated October 28, 2016, as amended on January 26, 2017 (the "Amalgamation Agreement") between Orletto and Devonian and the provisions of the *Canada Business Corporations Act* ("CBCA"). Following the Amalgamation, the business of Devonian, as described in this amended and restated prospectus (the "Prospectus"), will constitute the sole operations of the Resulting Issuer.

The Prospectus qualifies for distribution (the "Offering") by Orletto through its agent, Richardson GMP Limited (the "Agent"), on a commercially reasonable efforts basis, a minimum of 8,000,000 units (the "Units") for total gross proceeds of $6,000,000 (the "Minimum Offering") and a maximum of 13,333,333 Units for total gross proceeds of $10,000,000 (the "Maximum Offering") to the public at a price of $0.75 per Unit (the "Offering Price"). Each Unit consists of one share in the capital of Orletto (the "Offered Orletto Share") and one-half of one share purchase warrant (each whole share purchase warrant, a "Warrant"). Upon Closing, each Warrant will entitle its holder to purchase one Amalco Subordinate Voting Share (a "Warrant Share"), at a price of $1.10 per Warrant Share, for a period of 24 months from the Closing. The Units will be sold pursuant to the terms and conditions of an agency agreement (the "Agency Agreement") dated October 27, 2016 between Orletto, Devonian and the Agent. The Offering Price was determined based upon arm's length negotiations among Orletto, Devonian and the Agent. The completion of the Amalgamation and the Minimum Offering (the "Transaction") are mutually conditional. See "Information Concerning Orletto – Plan of Distribution". Since the Offering will close concurrently to the completion of the Amalgamation, the Offered Orletto Shares and the Warrants comprised in the Units will ultimately be issued from the capital of the Resulting Issuer upon Closing (as defined herein) on a one-for-one basis as Amalco Subordinate Voting Shares (as defined herein) and Amalco Warrants, respectively. See section "Information Concerning the Resulting Issuer – Description of the Securities".

Upon completion of the Transaction, the Resulting Issuer will have the following three classes of issued and outstanding shares: Amalco Subordinate Voting Shares, Amalco Subordinate Exchangeable Voting Shares and Amalco Multiple Voting Shares (as defined herein). The Amalco Multiple Voting Shares will be held by 9099-3452 Québec Inc. and Mr. André P. Boulet (the "Principal Shareholders of Devonian"). The Amalco Subordinate Voting Shares, the Amalco Subordinate Exchangeable Voting Shares and the Amalco Multiple Voting Shares are substantially identical with the exception of the multiple voting and the exchange rights attached to the Amalco Multiple Voting Shares and the exchange right and restriction on transfer attached to the Amalco Subordinate Exchangeable Voting Shares. Each Amalco Multiple Voting Share shall confer the right to six votes per Amalco Multiple Voting Share. The Multiple Voting Shares are exchangeable into Amalco Subordinate Voting Shares on a one-for-one basis at any time at the option of the Principal Shareholders of Devonian and automatically in certain other circumstances. The Amalco Subordinate Exchangeable Voting Shares are exchangeable into Amalco Subordinate Voting Shares on a one-for-one basis in accordance with the Exchange Schedule (as defined herein) and are subject to certain restriction on transfer. The holders of Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares benefit from protection provisions that give them certain rights in the event of a take-over bid for the Amalco Multiple Voting Shares. See "Information Concerning the Resulting Issuer – Description of the Resulting Issuer Securities – Take-Over Bid Protection". Only the Amalco Subordinate Voting Shares will be listed for trading on the TSXV. See "Information Concerning the Resulting Issuer – Description of the Resulting Issuer Securities". Upon completion of the Amalgamation and assuming the completion of the Minimum Offering, an aggregate of 15,858,260 Amalco Subordinate Voting Shares, 19,966,523 Amalco Multiple Voting Shares and 20,034,036 Amalco Subordinate Exchangeable Voting Shares will be issued and outstanding.

Upon completion of the Transaction, the Principal Shareholders of Devonian will collectively hold 100% of the issued and outstanding Amalco Multiple Voting Shares. After giving effect to the Amalgamation and the Minimum Offering, the Principal Shareholders of Devonian will hold approximately 35.74% of the total issued and outstanding Amalco Shares (32.63% after giving effect to the Amalgamation and the Maximum Offering) and will hold approximately 76.95% of the voting rights attached to all of the Amalco Shares (74.40% after giving effect to the Amalgamation and the Maximum Offering) and, as a result, will have a significant influence on the Resulting Issuer. See "Information Concerning the Resulting Issuer - Principal Securityholders".

Price: $0.75 per Unit

	Number of Units	Price to Public	Agent's Fee[(1)(2)(3)(4)]	Net Proceeds to Orletto[(4)(5)]
Per Unit	1	$0.75	$0.075	$0.675
Minimum Offering	8,000,000	$6,000,000	$600,000	$5,400,000
Maximum Offering	13,333,333	$10,000,000	$1,000,000	$9,000,000

Notes:

(1) In consideration for the services rendered by the Agent in connection with the Offering, Orletto has agreed to pay the Agent a fee equal to 10% (the "Agent's Fee") of the gross proceeds of the Offering, including the gross proceeds from the sale of any Additional Units (as defined herein) acquired upon exercise of the Over-Allotment Option (as defined herein). See "Information Concerning Orletto – Plan of Distribution".

(2) As additional compensation, the Agent will be granted an option (the "Agent's Option") that will entitle the Agent to purchase that number of shares which will ultimately be issued from the capital of the Resulting Issuer upon Closing as Amalco Subordinate Voting Shares on a one-for-one basis (the "Agent's Shares") equal to 10% of the total number of Units sold pursuant to the Offering (including the number of Units sold pursuant to the exercise of the Over-Allotment Option), at a price of $0.75 per Agent's Share, for a period of 24 months from the Closing Date. Unless otherwise indicated or the context suggests otherwise, the term "Offered Orletto Shares" when used in the context of the Offering includes the Agent's Shares. The Agent's Option and the Agent's Shares issuable upon exercise of the Agent's Option are qualified for distribution under the Prospectus. See "Information Concerning Orletto – Plan of Distribution".

(3) The Agent will also receive a corporate finance fee of $45,000 plus GST (the "Corporate Finance Fee") and will be reimbursed for its legal fees and reasonable out-of-pocket expenses. The legal fees of the Agent will be capped at a maximum of $45,000, excluding taxes and disbursements, unless otherwise agreed to by Orletto. As of the date of the Prospectus, half of the Corporate Finance Fee ($22,500) and a $45,000 retainer against the Agent's legal fees and out-of-pocket due diligence expenses have been paid. See "Information Concerning Orletto – Plan of Distribution".

(4) In order to cover for over-allotments, if any, and for market stabilization purposes, Orletto will grant the Agent an over-allotment option (the "Over-Allotment Option"), exercisable for a period of 30 days from the Closing Date, to purchase an additional number of Units equal to 15% of the number of Units sold pursuant to the Offering (the "Additional Units") at the Offering Price. The grant of the Over-Allotment Option and the Additional Units issuable upon exercise of the Over-Allotment Option are hereby qualified for distribution under the Prospectus. Unless otherwise indicated or the context suggests otherwise, the term "Units" when used in the context of the Offering includes the Additional Units. A purchaser who acquires Additional Units forming part of the Agent's over-allocation position acquires those securities under the Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised in full, the total "Price to Public", "Agent's Fee" and "Net Proceeds to Orletto" (before payment of the Corporate Finance Fee and the estimated expenses and costs relating to the Offering (see note 5 below)) will be $11,500,000, $1,150,000 and $10,350,000 respectively. See "Information Concerning Orletto – Plan of Distribution".

(5) After deducting the Agent's Fee, but before deducting the Corporate Finance Fee and the expenses and costs relating to the Offering which are estimated to be $439,000 in the case of the Minimum Offering and $443,000 in the case of the Maximum Offering. The Agent's Fee, Corporate Finance Fee and the expenses and costs relating to the Offering will be paid from the gross proceeds of the Offering. See "Information Concerning the Resulting Issuer - Available Funds and Principal Purposes".

Market for Securities

THERE IS CURRENTLY NO MARKET THROUGH WHICH THE WARRANTS MAY BE SOLD AND PURCHASERS MAY NOT BE ABLE TO RESELL THE WARRANTS PURCHASED UNDER THE PROSPECTUS. THIS MAY AFFECT THE PRICING OF THE WARRANTS IN THE SECONDARY MARKET, THE TRANSPARENCY AND AVAILABILITY OF TRADING PRICES, THE LIQUIDITY OF THE SECURITIES, AND THE EXTENT OF ISSUER REGULATION. SEE "RISK FACTORS".

The existing common shares of Orletto (the "Orletto Existing Shares") were listed on the TSXV under the symbol "OLE.P" on September 9, 2014. The closing price of the Orletto Shares (as defined herein) was $0.08 on May 19, 2015, the most recent date open for trading before the Orletto Shares were halted prior to the announcement of the conclusion of the Agreement in Principle on May 20, 2015. Further to the TSXV Bulletin dated August 9, 2016, effective at the open, Friday, September 16, 2016, trading in the Orletto Shares has been suspended, since Orletto failed to complete a Qualifying Transaction within 24 months of its listing. Trading of the Orletto Shares will not resume until the completion of the Transaction. The TSXV has conditionally approved the Transaction and the listing of the Amalco Subordinate Voting Shares, the Agent's Shares and the Warrant Shares. Listing is subject to Orletto fulfilling all the listing requirements of the TSXV. See "Information Concerning Orletto – Plan of Distribution".

The following table sets forth the maximum number of options that may be granted by Orletto to the Agent in connection with the Offering.

Agent's Position	Number of Securities Available or Maximum Size	Exercise Period	Exercise Price
Over-Allotment Option	2,000,000 Additional Units (assuming the Over-Allotment Option is exercised in full)	A period of 30 days from the Closing Date	$0.75 per Additional Unit
Agent's Option	1,333,333 Agent's Shares (1,533,333 Agent's Shares assuming the full exercise of the Over-Allotment Option)	24 months from the Closing Date	$0.75 per Agent's Share

Risk Factors

An investment in the Units is speculative and involves a high degree of risk. An investment in the Units is suitable only for those purchasers who are willing to risk a loss of some or all of their investment and who can afford to lose some or all of their investment. Prospective investors should carefully consider the risk factors included under the heading "Risk Factors" in the Prospectus.

The Offering is made on a commercially reasonable efforts basis by the Agent who conditionally offer the Units, if, as and when issued by Orletto and accepted by the Agent in accordance with the terms and conditions of the Agency Agreement and subject to the approval of certain legal matters by Getz Prince Wells LLP on behalf of the Agent and by Stein Monast L.L.P. on behalf of Orletto and Devonian. All funds received from the subscription for the Units will be deposited and held by the Agent pursuant to the terms and conditions of the Agency Agreement and will not be released until the completion of the Offering and at least $6,000,000 has been deposited and the Agent has consented to such release. If subscriptions totalling a minimum gross proceeds of $6,000,000 have not been received within 90 days after the date of the receipt for the Prospectus or such other time as may be permitted by Applicable Securities Regulations and consented to by persons or companies who subscribed within that period and the Agent, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent. If the Minimum Offering is raised, it is expected that the initial closing of the Offering will take place on or about March 31, 2017, or such other date mutually agreed upon by Orletto and the Agent, provided that subsequent closings may occur up and until the Maximum Offering is achieved within 180 days from the date of receipt for the final prospectus dated October 27, 2016. Subscriptions will be received subject to rejection or allotment in whole or in part and Orletto reserves the right to close the subscription books at any time without notice.

The Offered Orletto Shares and Warrants comprised in the Units and the Additional Units, if any, will be deposited with CDS Clearing and Depository Services Inc. ("CDS") or its nominees on the Closing Date. Transfers of ownership of the Offered Orletto Shares and Warrants comprised in the Units and the Additional Units, if any, deposited with CDS in Canada will be effected through records maintained by participants in the CDS depository service ("CDS Participants"), which include securities brokers and dealers, banks and trust companies. Indirect access to the CDS book entry system is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly. Each purchaser of Units or Additional Units, if any, in Canada will receive a customer confirmation of purchase from the CDS Participant from or through which such Units or Additional Units, if any, are purchased in accordance with the practices and procedures of such CDS Participant. No certificates representing the Offered Orletto Shares and Warrants comprised in the Units and the Additional Units, if any, will be issued unless it is specifically required. No person is authorized to provide any information or to make any representation in connection with the Offering other than as contained in the Prospectus.

Richardson GMP Limited.
550 Burrard Street, Suite 500
Vancouver, BC V6C 2B5
Attention: Ms. Nargis Sunderji, Vice President, PVC Corporate Finance

Telephone: (604) 640-0342
Facsimile: (604) 640-0500

The Prospectus will constitute the *Filing Statement for a Qualifying Transaction*, as provided under Policy 2.4 and Form 3B2 of the TSXV.

TABLE OF CONTENTS

PAGE

GLOSSARY

The following is a glossary of terms and abbreviations frequently used in the Prospectus.

"**ADME**"	is an abbreviation in pharmacokinetics and pharmacology for "absorption, distribution, metabolism and excretion," and describes the disposition of a pharmaceutical compound within an organism. The four criteria all influence the drug levels and kinetics of drug exposure to the tissues and hence influence the performance and pharmacological activity of the compound as a drug.
"**Affiliate**"	means a corporation that is affiliated with another corporation as described below. A corporation is an "Affiliate" of another corporation if: (a) one of them is the subsidiary of the other; or (b) each of them is controlled by the same person. A corporation is "controlled" by a person if: (a) voting securities of the corporation are held, other than by way of security only, by or for the benefit of that person; and (b) the voting securities, if voted, entitle the person to elect a majority of the directors of the corporation. A person beneficially owns securities that are beneficially owned by: (a) a corporation controlled by that person; or (b) an Affiliate of that person or an Affiliate of any corporation controlled by that person.
"**Amalco**"	means the corporation to be constituted upon completion of the Amalgamation of Orletto and Devonian to be named "Devonian Health Group Inc." and its French version "Groupe Santé Devonian Inc.", or such other name as Orletto and Devonian may mutually determine.
"**Amalco Devonian Existing Debentures Warrants**"	means the 1,424,876 warrants of Amalco to be issued on the Effective Date of the Amalgamation further to the conversion of the Devonian Existing Debentures.
"**Amalco Devonian Existing Warrants**"	means the (i) 10,188,088 warrants of Amalco to be issued on the Effective Date of the Amalgamation further to the conversion of the 6,700,001 Devonian Series A Existing Warrants, each entitling its holder to subscribe for one Amalco Subordinate Exchangeable Voting Share, at a price of $0.20 per Amalco Subordinate Exchangeable Voting Share, and (ii) 632,531 warrants of Amalco to be issued on the Effective Date of the Amalgamation further to the conversion of the 332,777 Devonian Series B Existing Warrants, each entitling its holder to subscribe for one Amalco Subordinate Exchangeable Voting Share, at a price of $0.20 per Amalco Subordinate Exchangeable Voting Share, both series of Devonian Existing Warrants expiring on the same dates in accordance with their terms.
"**Amalco Multiple Voting Shares**"	means the 19,966,523 multiple voting shares to be issued of the capital of Amalco.

"**Amalco Orletto Options**"	means the 200,000 stock options of Amalco to be issued on the Effective Date of the Amalgamation further to the conversion of the 549,300 Orletto Existing Options, each entitling the holder to acquire one Amalco Subordinate Voting Share, at a price of $0.27 per Amalco Subordinate Voting Share, until September 9, 2019.
"**Amalco Shares**"	means, collectively or individually, as the context requires, the Amalco Subordinate Voting Shares, the Amalco Subordinate Exchangeable Voting Shares and/or the Amalco Multiple Voting Shares.
"**Amalco Subordinate Exchangeable Voting Shares**"	means the subordinate exchangeable voting shares to be issued of the capital of Amalco.
"**Amalco Subordinate Voting Shares**"	means the subordinate voting shares to be issued of the capital of Amalco.
"**Amalco Warrants**"	means, collectively or individually, as the context requires, the Amalco Devonian Existing Warrants, the Amalco Devonian Existing Debentures Warrants and/or the Warrants.
"Applicable Securities Regulations"	means securities legislations, securities regulations and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to an issuer.
"**Associate**"	when used to indicate a relationship with a person, means: (a) an issuer of which the person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to all outstanding voting securities of the issuer; (b) any partner of the person; (c) any trust or estate in which the person has a substantial beneficial interest or in respect of which the person serves as trustee or in a similar capacity; and (d) in the case of a person, who is an individual; (i) that person's spouse or child; or (ii) any relative of that person or of his spouse who has the same residence as that person; but (e) where the TSXV determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the TSX Venture Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.
"**Capital Pool Company**" **or** "**CPC**"	means a Capital Pool Company that has met the conditions as provided for under the Policy 2.4.
"CBCA"	means the *Canada Business Corporations Act*.

"**Certificate of Amalgamation**"	means the certificate of amalgamation to be issued by the Director pursuant to Subsection 185(4) of the CBCA giving effect to the Amalgamation.
"**Closing**"	means the closing of the Offering.
"**Closing Date**"	means March 31, 2017 or such other date mutually agreed upon by Orletto and the Agent.
"**Completion of the Qualifying Transaction**"	means the date the Final Exchange Bulletin is issued by the TSXV.
"**Control Person**"	means any person or corporation that holds or is one of a combination of persons or corporations that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.
"**corporation**"	unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
"**CRP**"	means C-reactive protein.
"**Coattail Agreement**"	has the meaning ascribed thereto under ''Information Concerning the Resulting Issuer – Description of the Resulting Issuer Securities - Take-Over Bid Protection''.
"**Devonian Existing Debentures**"	means all of the issued and outstanding convertible unsecured debentures issued by Devonian immediately prior to the Amalgamation, totalling $1,548,900, expiring at different dates, in accordance with their terms.
"**Devonian Existing Warrants**"	means the (i) 6,700,001 warrants of Devonian (herein referred to as the "Devonian Series A Existing Warrants"), each entitling its holder to subscribe for one Devonian Share, at a price of $0.30 per Devonian Share, and (ii) 332,777 warrants of Devonian (herein referred to as the "Devonian Series B Existing Warrants"), each entitling its holder to subscribe for one and one fourth (1¼) Devonian Share, at a price of $0.30 per Devonian Share, both series of Devonian Existing Warrants expiring on the same dates in accordance with their terms.
"**Devonian Shareholder**"	means a holder of Devonian Shares.
"**Devonian Shares**"	means the Class A shares in the capital of Devonian.
"**Effective Date of the Amalgamation**"	means the date shown on the Certificate of Amalgamation.
"**ESR**"	means erythrocyte sedimentation rate.
"**Exchange Schedule**"	has the meaning ascribed thereto under ''Information Concerning Orletto – Qualifying Transaction – Amalgamation Agreement''.
"**FC**"	means fecal calprotectin.
"**FDA**"	means the U.S. Food and Drug Administration.
"**FDASIA**"	means the Food and Drug Administration Safety and Innovation Act.

"**Final Exchange Bulletin**"	means the bulletin issued following closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final TSXV acceptance of the Qualifying Transaction.
"**FL**"	means fecal lactoferrin.
"**GCP**"	means Good Clinical Practices. GCP is a standard for the design, conduct, performance, monitoring, auditing, recording, analyses, and reporting of clinical trials that provides assurance that the data and reported results are credible and accurate, and that the rights, integrity, and confidentiality of trial subjects are protected.
"**GLP**"	means the FDA's Good Laboratory Practice.
"**hs-CRP**"	means high-sensitivity C-reactive protein.
"**IAUCSS**"	means the investigator assessment of ulcerative colitis symptom score.
"**IBD**"	means inflammatory bowel disease. IBD is a group of chronic intestinal diseases characterized by inflammation of the bowel - the large or small intestine. The most common types of IBD are ulcerative colitis and Crohn disease.
"**IBDQ**"	means the inflammatory bowel disease questionnaire allowing the measurement of health-related quality of life.
"**IND**"	means investigational new drug, for which a U.S. Food and Drug Administration application needs to be filed prior to any clinical trial.
"**Initial Public Offering**" **or** "**IPO**"	means a transaction that involves an issuer issuing securities from its treasury pursuant to its first prospectus.
"**Insider**"	if used in relation to an issuer, means: (a) a director or senior officer of the issuer; (b) a director or senior officer of a corporation that is an Insider or subsidiary of the issuer; (c) a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or (d) the issuer itself if it holds any of its own securities.
"**IRB**"	means the Independent Institutional Review Board. IRB is a group formally designated to protect the rights, safety and well-being of humans involved in a clinical trial by reviewing all aspects of the trial and approving its startup. IRBs can also be called independent ethics committees (IECs).
"**LTB_4**"	means serum Leukotriene B4.
"**Mayo Score**"	is a combined endoscopic and clinical scale used to assess the severity of ulcerative colitis.
"**Member**"	has the meaning given to it in Rule A.1.00 of the TSX Venture Exchange Rule Book and Policies.

"**mg**"	means the unit of mass milligram.
"**NDA**"	means new drug application.
"**NDS**"	means the new drug submission.
"**New Stock Option Plan**"	means the stock option plan of the Resulting Issuer that has been adopted by the shareholders of Orletto on November 25, 2016 in accordance with the TSXV policies. See "Information Concerning the Resulting Issuer – Options to Purchase Securities – New Stock Option Plan."
"**Non Arm's Length Parties to the Qualifying Transaction**"	means the Vendor(s), Devonian and includes, in relation to Significant Assets or Devonian, the Non-Arm's Length Parties of the Vendor(s), the Non-Arm's Length Parties of Devonian and all other parties to or associated with the Qualifying Transaction and Associates or Affiliates of all such other parties.
"**Offering**"	means the offering made by Orletto, on a commercially reasonable efforts basis by the Agent, for a minimum of 8,000,000 Units for total gross proceeds of $6,000,000 and a maximum of 13,333,333 Units for total gross proceeds of $10,000,000, plus the Units issuable upon exercise of the Over-Allotment Option, as the case may be, at a price of $0.75 per Unit;
"**Offered Orletto Shares**"	means the shares comprised in the Units which will ultimately be issued from the capital of the Resulting Issuer upon Closing as Amalco Subordinate Voting Shares on a one-for-one basis.
"**off-label use**"	means uses for drugs that are not described in the drug's approved labeling.
"**Orletto**"	means Orletto Capital Inc., a public corporation incorporated under the CBCA with its head and registered office located in Québec, Québec.
"**Orletto Escrow Agreement**"	means the Form 2F CPC Escrow Agreement dated as of May 30, 2014 among Orletto, CST Trust Company ("CST") and certain securityholders of Orletto, as amended on September 9, 2014.
"**Orletto Escrowed Shares**"	means the Orletto Existing Shares subject to the terms and conditions of the Orletto Escrow Agreement.
"**Orletto Existing Options**"	means the 549,300 outstanding stock options of Orletto, each entitling the holder to acquire one Orletto Share, at a price of $0.10 per Orletto Share, until September 9, 2019.
"**Orletto Existing Shares**"	means the 5,493,000 Orletto Shares that are issued and outstanding as at the date hereof.
"**Orletto Shareholder**"	means a holder of Orletto Existing Shares.
"**Orletto Shares**"	means the common shares in the capital of Orletto.
"**Orletto Stock Option Plan**"	means the current incentive stock option plan of Orletto.
"person"	means a corporation or individual.
"Policy 2.4"	means Policy 2.4 of the TSXV found in the TSX Venture Exchange Corporate Finance Manual.

"Principal" means:

(a) a person who acted as a Promoter of the issuer within two years before the IPO prospectus or Final Exchange Bulletin;

(b) a director or senior officer of the issuer or any of its material operating subsidiaries at the time of the IPO Prospectus or Final Exchange Bulletin;

(c) a 20% holder – a person that holds securities carrying more than 20% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and

(d) a 10% holder – a person that

i. holds securities carrying more than 10% of the voting rights attached to the issuer's outstanding securities immediately before and immediately after the issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and

ii. has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the issuer or any of its material operating subsidiaries.

In calculating these percentages, include securities that may be issued to the holder under outstanding convertible securities in both the holder's securities and the total securities outstanding.

A corporation, more than 50% held by one or more Principals, will be treated as a Principal. (in calculating this percentage, include securities in both the Principals' securities of the entity and the total securities of the entity outstanding.) Any securities of the issuer that this entity holds will be subjects to escrow requirements.

A Principal's spouse and any relatives of the Principal or spouse who live at the same address as the Principal will also be treated as Principals and any securities of the Issuer they hold will be escrow requirements.

"Principal Shareholder(s) of Devonian" means Mr. André P. Boulet and/or 9099-3452 Québec Inc.

"Promoter" has the definition prescribed by Applicable Securities Regulations.

"QBCA" means the *Business Corporations Act* (Québec).

"Qualifying Transaction" means a transaction where a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another corporation or by other means.

"**R&D**" means research and development activities.

"Related Party" has the meaning ascribed to that term under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

"Related Party Transaction"	has the meaning ascribed to that term under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*, and includes a related party transaction that is determined by the TSXV, to be a related party transaction. The TSXV may deem a transaction to be a related party transaction where the transaction involves Non-Arm's Length Parties, or other circumstances exist which may compromise the independence of the issuer with respect to the transaction.
"Rights to Subscribe"	has the meaning ascribed to such term under the heading "Information Concerning the Resulting Issuer – Description of the Resulting Issuer Securities".
"Securities Regulatory Authorities"	means the securities regulatory authorities of Alberta, British Columbia, Ontario and Québec.
"Significant Assets"	means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions, would result in the CPC meeting the initial listing requirements of the TSXV.
"**Target Company**"	means Devonian, which is targeted for the purposes of the Qualifying Transaction.
"**TSXV**"	means the TSX Venture Exchange.
"United States"	means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.
"**Units**"	means the units offered pursuant to the Offering, each of which being comprised of one Offered Orletto Share and one-half of one Warrant.
"**Vendor(s)**"	means one or all of the beneficial owners of the Significant Assets (other than a Target Company).
"**Warrants**"	means the share purchase warrants comprised in the Units, each of which entitles its holder thereof to purchase one Warrant Share, at a price of $1.10 per Warrant Share, for a period of 24 months from the Closing.
"**Warrant Shares**"	means, upon Closing, the Amalco Subordinate Voting Shares to be issued following the exercise of the Warrants comprised in the Units.

The singular includes the plural and the masculine includes the feminine and vice-versa, depending on the context.

ELIGIBILITY FOR INVESTMENT

In the opinion of Stein Monast L.L.P., counsel to Orletto and Devonian, based on the provisions of the *Income Tax Act* (Canada) and the regulations thereunder in force as the date hereof (together, the "Tax Act") and provided that the Amalco Subordinate Voting Shares and the Warrant Shares are listed on a "designated stock exchange" (which currently includes the TSXV) for purposes of the Tax Act, such shares will be qualified investments under the Tax Act for trusts governed by a registered retirement savings plan ("RRSP"), registered retirement income fund ("RRIF"), registered education savings plan, registered disability savings plan, deferred profit sharing plan and tax-free savings account ("TFSA"), each as defined in the Tax Act (collectively, "Deferred Plans"). The Warrants will be qualified investments for a Deferred Plan provided that the Amalco Subordinate Voting Shares are listed on a "designated stock exchange", as defined in the Tax Act, at the time of issuance of the Warrants and that Orletto, Devonian or the Resulting Issuer is not a "connected person" under the Deferred Plan. A "connected person", in relation to a Deferred Plan, is defined in the Tax Act as a person who is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, the Deferred Plan, as well as any other person who does not deal at arm's length with that person.

Notwithstanding the foregoing, the holder of the TFSA or annuitant of the RRSP or RRIF will be subject to a penalty tax under the Tax Act if the Amalco Subordinate Voting Shares, Warrant Shares or the Warrants held by a particular TFSA, RRSP or RRIF are a "prohibited investment" for purposes of the Tax Act. The Amalco Subordinate Voting Shares, Warrant Shares and the Warrants will generally be a "prohibited investment" for these purposes if the holder of the TFSA or the annuitant under the RRSP or RRIF, as applicable, (i) does not deal at arm's length with Orletto, Devonian or the Resulting Issuer for purposes of the Tax Act or (ii) has a "significant interest" as defined in the Tax Act in Orletto, Devonian or the Resulting Issuer. Generally, a holder or annuitant will have a "significant interest" in a corporation if the holder or annuitant, together with persons, partnerships or trust, not dealing at arm's length with the holder or annuitant, own directly or indirectly 10% or more of the issued shares of any class of the capital stock of such corporation or of any related corporation within the meaning of the Tax Act. In addition, the Amalco Subordinate Voting Shares, Warrant Shares and the Warrants will generally not be a "prohibited investment" if the Amalco Subordinate Voting Shares, Warrant Shares and the Warrants are "excluded property" as defined in the Tax Act.

Holders or annuitants should consult their own tax advisors with respect to whether the Amalco Subordinate Voting Shares, Warrant Shares and the Warrants would be prohibited investments, including with respect to whether the Amalco Subordinate Voting Shares and the Warrants would be "excluded property" as defined in the Tax Act provisions.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Stein Monast L.L.P., counsel to Orletto and Devonian, the following is a general summary, as of the date of the Prospectus, of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a holder who acquires Units comprised of Offered Orletto Shares and Warrants pursuant to the Offering and Warrant Shares on the exercise of Warrants, and who, for the purposes of the Tax Act and at all relevant times, is, or is deemed to be, resident in Canada, beneficially owns Amalco Subordinate Voting Shares, Warrant Shares and Warrants as capital property, deals at arm's length with Orletto, Devonian, the Resulting Issuer or the Agent, and is not affiliated with Orletto, Devonian, the Resulting Issuer or the Agent (a "Holder"). Amalco Subordinate Voting Shares, Warrant Shares and Warrants will generally be considered to be capital property for this purpose unless the Holder holds (or will hold) such Amalco Subordinate Voting Shares, Warrant Shares and Warrants in the course of carrying on a business of trading or dealing in securities, or the Holder has acquired (or will acquire) such Amalco Subordinate Voting Shares, Warrant Shares and Warrants in one or more transactions considered to be an adventure or concern in the nature of trade. A Holder whose Amalco Subordinate Voting Shares, including Warrant Shares, might not otherwise qualify as capital property may, in certain circumstances, make the irrevocable election pursuant to subsection 39(4) of the Tax Act to have his, her or its Amalco Subordinate Voting Shares, and every other "Canadian security", as defined in the Tax Act, owned by such Holder in the taxation year of the election and in all subsequent taxation years, deemed to be capital property. This election does not apply to Warrants. Such Holders should consult their own tax advisors with respect to whether an election under subsection 39(4) of the Tax Act is available and advisable in their own circumstances.

This summary is not applicable to a Holder: (a) that is a "financial institution", as defined in the Tax Act for purposes of the mark-to-market rules contained in the Tax Act; (b) that is a "specified financial institution" as defined in the Tax Act; (c) having an interest in which is or would be a "tax shelter investment" as defined in the Tax Act; (d) that has elected to report its "Canadian tax results", as defined in the Tax Act, in a currency other than Canadian currency; or (e) who enters into, or has entered into, a "derivative forward agreement", a "synthetic disposition agreement" or a "dividend rental arrangement", as those term are defined in the Tax Act, in respect of the Amalco Subordinate Voting Shares or Warrants. Any such Holder to which this summary does not apply should consult his, her or its own tax advisor.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes, as part of a transaction or event or series of transactions or events that include the acquisition of the Amalco Subordinate Voting Shares, Warrant Shares or Warrants controlled by a non-resident corporation for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such Holders should consult their tax advisors with respect to the consequences of acquiring the Amalco Subordinate Voting Shares and Warrants.

This summary is based upon the current provisions of the Tax Act in force as of the date hereof and counsel's understanding of the current administrative and assessing policies and practices of the Canada Revenue Agency ("CRA") published in writing by it and publicly available prior to the date hereof. This summary also takes into account all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Tax Proposals"), and assumes that all such Tax Proposals will be enacted in the form proposed. No assurance can be given that the Tax Proposals will be enacted in the form currently proposed or at all. This summary does not otherwise take into account or anticipate any changes in law, administrative and assessing policies and practices of the CRA, whether by way of legislative, regulatory, governmental, judicial or administrative decision or action, nor does it address any provincial, territorial or foreign income tax considerations, which considerations may differ significantly from the Canadian income tax considerations discussed below.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations concerning the tax consequences to any particular Holder are made. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective Holders are urged to consult their own tax advisors about the specific tax consequences to them of acquiring, holding and disposing of Amalco Subordinate Voting Shares and Warrants having regard to their particular circumstances.

Allocation of Cost

The total purchase price of a Unit to a Holder must be allocated on a reasonable basis between the Offered Orletto Share and each one-half of one Warrant to determine the cost of each to the Holder for purposes of the Tax Act.

For this purpose, the Resulting Issuer intends to allocate $0.745 of the issue price of each Unit as consideration for the issue of each Offered Orletto Share and $0.005 of the issue price of each Unit for the issue of each half-Warrant. Stein Monast L.L.P., counsel to Orletto and Devonian, express no opinion with respect to such allocation. Although Orletto believes that its allocation is reasonable, it is not binding on the CRA or the Holder. A successful challenge of such allocation will affect the adjusted cost base (the "ACB") of the Offered Orletto Share and the half-Warrant comprising each Unit and could therefore affect the Holder's tax treatment.

The Holder's ACB of the Offered Orletto Shares and Warrants comprising the Units acquired pursuant to this Prospectus will be determined, respectively, by averaging the Offering Price allocated to the Offered Orletto Shares and the Warrants, respectively, with the ACB to the Holder of all other shares or the ACB of all other warrants, respectively, of the Resulting Issuer owned by the Holder as capital property immediately prior to such acquisition.

Exercise of Warrants

No gain or loss will be realized by a Holder upon the exercise of a Warrant. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be the aggregate of the Holder's ACB of such Warrant and the exercise price paid for the acquisition of such Warrant Share. The Holder's ACB of the Warrant Share so acquired will be determined by averaging such cost with the ACB to the Holder of all other shares of the Resulting Issuer owned by the Holder immediately prior to such acquisition.

Disposition and Expiry of Warrants

A disposition or deemed disposition by a Holder of a Warrant (other than upon the exercise thereof) will generally give rise to a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or less) than such Holder's ACB of the Warrant. In the event of the expiry of an unexercised Warrant, the Holder will realize a capital loss equal to the Holder's ACB of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under "Taxation of Capital Gains and Capital Losses".

Dividends on Shares

Dividends received or deemed to be received on Amalco Subordinate Voting Shares and Warrant Shares by a Holder who is an individual (other than certain trusts) will be included in computing such Holder's income and will be subject to the gross-up and dividend tax credit rules normally applicable under the Tax Act to taxable dividends received from "taxable Canadian corporations" as defined in the Tax Act, including the enhanced gross-up and dividend tax credit in respect of dividends designated by the Resulting Issuer as "eligible dividends" pursuant the Tax Act provisions. There may be limitations on the ability of the Resulting Issuer to designate dividends as "eligible dividends".

Dividends received or deemed to be received on Amalco Subordinate Voting Shares and Warrant Shares by a Holder that is a corporation will be included in computing such Holder's income for the taxation year and will generally also be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Holder that is a corporation as proceeds of disposition or a capital gain. Holders that are corporations are urged to consult their own tax advisors having regard to their particular circumstances.

A Holder that is a "private corporation" or a "subject corporation", each as defined in the Tax Act, may be liable under Part IV of the Tax Act to pay a refundable tax at a rate of $38^{1/3}$% on dividends received or deemed to be received on Amalco Subordinate Voting Shares and Warrant Shares to the extent such dividends are deductible in computing the Holder's taxable income. This tax will generally be refunded to the corporation based on the amount of taxable dividends paid while it is a "private corporation" or a "subject corporation", all in accordance with detailed rules contained in the Tax Act.

Dispositions of Shares

A disposition, or a deemed disposition for purposes of the Tax Act, of Amalco Subordinate Voting Shares and Warrant Shares by a Holder will generally give rise to a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of such shares, net of any reasonable costs of disposition, exceed (or are less than) the ACB of such shares to the Holder immediately before the disposition. For this purpose, the ACB to a Holder of a Offered Orletto Shares and Warrant Share will be determined by averaging the cost of such shares with the ACB of any other Amalco Subordinate Voting Shares owned by the Holder as capital property at that time. Such capital gain (or capital loss) will be subject to the treatment described below under "Taxation of Capital Gains and Capital Losses".

Taxation of Capital Gains and Capital Losses

One-half of any capital gain (a "taxable capital gain") realized by a Holder for a taxation year is required to be included in computing the Holder's income for the year. Subject to and in accordance with the provisions of the Tax Act, a Holder is normally required to deduct one-half of any capital loss (an "allowable capital loss") realized in a taxation year from taxable capital gains realized in that taxation year. Allowable capital losses in excess of taxable capital gains for the taxation year of disposition may generally be carried back and deducted in any of the three preceding taxation years, or in any subsequent year against net taxable capital gains realized in such years, to the extent and under the circumstances specified in the Tax Act. If the Holder is a corporation, any such capital loss realized on the sale of Amalco Subordinate Voting Shares and Warrant Shares may in certain circumstances be reduced by the amount of any dividends which have been received or which are deemed to have been received on such shares, or shares substituted for such shares, to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a Holder that is a corporation is a member of a partnership or a beneficiary of a trust that owns such shares, directly or indirectly through a partnership or a trust. Holders to whom these rules may be relevant should consult their own tax advisors.

A Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay a refundable tax at a rate of $10^{2/3}$% on its "aggregate investment income" for the year (as defined in the Tax Act), including taxable capital gains and dividends or deemed dividends not deductible in computing taxable income.

Alternative Minimum Tax

Capital gains realized and taxable dividends received by a Holder who is an individual (other than certain trusts) may result in such Holder being liable for alternative minimum tax under the Tax Act. Holders should consult their own tax advisors with respect to the application of alternative minimum tax.

SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS

Certain statements contained in the Prospectus constitute forward-looking information and forward-looking statements (collectively, "forward-looking statements") pursuant to the Applicable Securities Regulations. All statements, other than statements of historical fact, contained in the Prospectus are forward-looking statements, including, without limitation, statements regarding the future financial position, business strategy, budgets, projected costs and plans and objectives of or involving Orletto, Devonian or the Resulting Issuer. The use of any of the words "anticipate", "intend", "continue", "estimate", "expect", "may", "will", "plan", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Orletto and Devonian believe the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forwarding-looking statements speak only as of the date of the Prospectus.

Forward-looking statements are subject to risks, uncertainties and assumptions, including those discussed elsewhere in the Prospectus. See "Risk Factors". Some of the risks which could affect future results and could cause results to differ materially from those expected in the forward-looking statements contained herein include, but are not limited to: the development and the revenues generated, the regulatory approvals, the capacity for Devonian or the Resulting Issuer, as the case may be, to develop alternative product candidates, the commercialization process, the success of third-party strategic collaborators, the breakthrough designation by the FDA and market approval, the fast track designation by the FDA, the intense competition from other companies, the competition from product for which no prescription is required, the ongoing obligations and continued regulatory review, the compliance with recently enacted and future legislation, the third-party coverage and reimbursement and health care cost, the termination or suspension of, or delays in the commencement or completion of, any necessary future studies, the development process of clinical drug, the reliance on third parties to conduct its clinical trials, the availability and supply of raw material, the protection of intellectual property right, the potential infringement on others' intellectual property rights, the possibility to never become profitable, the need and ability to access sufficient capital, the management of growth, the ability to retain highly qualified personnel, the impact of a liability lawsuit brought, the potential future acquisition, the achievement of publicly announced milestones, the price of the securities that may fluctuate, the intention not to pay any dividend, there can be no assurance that an active market for the Amalco Subordinate Voting Shares will be sustained, the sale of Warrant Shares issued upon the exercise of Warrants or other security could encourage short sales by third parties which could further depress the price of the Amalco Subordinate Voting Shares, the lack of market for the Warrants, and opportunities or transactions that may adversely affect its business and financial condition. The information contained in the Prospectus and information set forth under the heading "Risk Factors", identify additional factors that could affect the operating results and performance of Orletto, Devonian and ultimately the Resulting Issuer. We urge you to carefully consider those factors.

With respect to forward-looking statements contained in the Prospectus, Orletto and Devonian have made assumptions regarding, among other things, the ability to complete the Offering, the ability to attract and retain qualified individuals and equipment in a timely manner, the level of future capital expenditure required to exploit and develop botanical pharmaceutical and derma-cosmeceutical products, the ability to obtain future financing on acceptable terms, and the state of the debt and equity markets in the current economic environment.

Orletto and Devonian have included the above summary of assumptions and risks related to forward-looking information provided in the Prospectus in order to provide investors with a more complete perspective on Orletto, Devonian and the Resulting Issuer's current and future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of risk factors are not exhaustive. The forward-looking statements contained in the Prospectus are expressly qualified by this cautionary statement. Except as required by Applicable Securities Regulations, none of Orletto, Devonian or the Resulting Issuer undertakes any obligation or is under any duty to publicly update or revise any forward-looking statements.

GENERAL MATTERS

Unless otherwise indicated or the context suggests otherwise, all references in the Prospectus to "Orletto" are to Capital Orletto Inc., all references in the Prospectus to "Devonian" are to "Devonian Health Group Inc." and all references to the "Resulting Issuer" are to the corporation resulting from the business combination of Orletto and Devonian further to the Amalgamation. You should rely only on the information contained into the Prospectus.

Orletto, Devonian and the Agent have not authorized any other person to provide you with different or inconsistent information. If anyone provides you with different or inconsistent information, you should not rely on it. Orletto, Devonian and the Agent are not making an offer to sell the Units in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in the Prospectus is accurate only as of the dates in which such information appears. Orletto and Devonian's financial condition, results of operations and prospects may have changed since this date.

CURRENCY AND FINANCIAL STATEMENT PRESENTATION

Unless otherwise indicated, all references to "$" or "dollars" in the Prospectus refer to Canadian dollars.

Orletto and Devonian's financial statements contained in the Prospectus have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are presented in Canadian dollars.

PROSPECTUS SUMMARY

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

Issuer:	Orletto Capital Inc.
Orletto:	Orletto is a Capital Pool Company created pursuant to the Policy 2.4 and, to date, has not conducted material operations of any kind, other than to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. On September 9, 2014, Orletto completed its Initial Public Offering and the Orletto Existing Shares commenced trading on the TSXV under the symbol "OLE.P". On May 15, 2015, Orletto entered into the Agreement in Principle with Devonian, as amended on April 7, 2016, which provides the parties' intent to complete the Amalgamation. Since incorporation, Orletto has incurred costs in carrying out its Initial Public Offering, in seeking, evaluating and negotiating potential Qualifying Transactions, and in meeting the disclosure obligations imposed upon it as a reporting issuer. See "Information Concerning Orletto – General Development of Business".
Devonian:	Devonian is a corporation resulting from a long-form amalgamation under the QBCA on March 27, 2015 of Devonian Technologies Inc., Devonian Pharmaceutical Inc., Devonian Cosmetics Inc. and CONSULTANT GO CONTACT INC. The principal business of Devonian is the development of prescription botanical drugs and derma-cosmeceutical products. See "Information Concerning Devonian – Name, Address and Incorporation" and "Description of the Business".
Offering:	A minimum of 8,000,000 Units and a maximum of 13,333,333 Units, at a price of $0.75 per Unit, plus the Over-Allotment Option equal to 15% of the number of Units sold pursuant to the Offering, to be made on a commercially reasonable best efforts basis by the Agent concurrently with the Amalgamation. Each Unit consists of one Offered Orletto Share and one-half of a Warrant. Each Warrant entitles its holder to purchase one Warrant Share, at a price of $1.10 per Warrant Share, for a period of 24 months from the Closing Date. The Units will be sold pursuant to the terms and conditions of the Agency Agreement. The Offering Price was determined based upon arm's length negotiations between Orletto, Devonian and the Agent. Since the Offering will close concurrently to the Amalgamation and provided that subsequent closings of Offering may occur up and until the Maximum Offering is achieved, the Offered Orletto Shares and the Warrants comprised in the Units (including those comprised in the Additional Units, as the case may be), as well as the Agent's Option will ultimately be issued from the capital of the Resulting Issuer on a one-for-one basis. The Prospectus is hereby filed in the provinces of Alberta, British Columbia, Ontario and Québec.
Agent's Fee and Agent's Option:	In consideration for the services rendered by the Agent in connection with the Offering, Orletto has agreed to pay the Agent's Fee equal to 10% of the gross proceeds of the Offering, including the gross proceeds from the sale of any Additional Units acquired upon exercise of the Over-Allotment Option. The Agent will also be granted an option that will entitle the Agent to purchase that number of Agent's Shares equal to 10% of the total number of Units sold pursuant to the Offering (including the number of Units sold pursuant to the exercise of the Over-Allotment Option), at a price of $0.75 per Agent's Share, for a period of 24 months from the Closing Date. See "Information Concerning Orletto – Plan of Distribution".
Qualifying Transaction:	Orletto intends to complete a business combination by way of an amalgamation with Devonian which will constitute its Qualifying Transaction pursuant to the Policy 2.4. See "Information Concerning Orletto – Qualifying Transaction".
Closing Date:	March 31, 2017, or such other date mutually agreed upon by Orletto and the Agent.

Corporate Finance Fee, Costs and Expenses:

The Agent will receive the Corporate Finance Fee and will be reimbursed for its legal fees and reasonable out-of-pocket expenses. The legal fees of the Agent will be capped at a maximum of $45,000, excluding taxes and disbursements, unless otherwise agreed to by Orletto. As of the date of the Prospectus, half of the Corporate Finance Fee ($22,500) and a $45,000 retainer against the Agent's legal fees and out-of-pocket due diligence expenses have been paid. See "Information Concerning Orletto – Plan of Distribution".

Available Funds and Principal Purposes:

Together with the cash of Orletto and Devonian as of December 31, 2016, the estimated funds available to the Resulting Issuer following the completion of the Transaction shall be $5,147,652 in case of the Minimum Offering and $8,743,652 in case of the Maximum Offering, after deducting the estimated expenses and costs relating to the Offering and assuming the full payment of the Agent's Fee and the Corporate Finance Fee.

Proceeds from the Offering and Other Funds Available	Minimum Offering	Maximum Offering
Gross proceeds from the Offering	$6,000,000	$10,000,000
Cash as of December 31, 2016 of both Orletto and Devonian	$186,652	$186,652
Gross proceeds and other available funds	**$6,186,652**	**$10,186,652**
Less:		
Estimated expenses and costs relating to the Offering(1)	$394,000	$398,000
Agent's Fee	$600,000	$1,000,000
Corporate Finance Fee(2)	$45,000	$45,000
Net proceeds from the Offering and other funds available	**$5,147,652**	**$8,743,652**

Notes:

(1) Includes Orletto's legal fees, auditors' fees and filing fees with the TSXV and the other regulatory authorities as well as Devonian's legal and auditors' fees. As of December 31, 2016, a $45,000 retainer against the Agent's legal fees and out-of-pocket due diligence expenses, legal fees of $81,407 and other fees of $34,672 have been paid.
(2) As of December 31, 2016, half of the Corporate Finance Fee ($22,500) has been paid.

Following the completion of the Transaction, management of the Resulting Issuer intends to use the net proceeds from the Offering and other funds available as follows:

Use of Funds	Minimum Offering	Maximum Offering
Completion of a large Phase 2 clinical trial of Thykamine^{tm} in patients with atopic dermatitis	$2,025,000	$2,025,000
Business development activities related to Thykamine^{tm} licensing	$204,000	$204,000
General corporate requirements (1)	$1,378,868	$1,495,867
Debt repayment	$810,347	$810,347
Interest payments	$362,766	$390,927
Completion cGMP extraction qualification	-	$1,200,000
Development of the oral and suppository formulations	-	$800,000

Use of Funds	Minimum Offering	Maximum Offering
Structural characterization/mechanism of action	-	$500,000
R&D: potential pharmaco-kinetic markers	-	$400,000
Total aggregate operating cost to achieve stated business objectives and milestones	$4,780,981	$7,826,141
Unallocated working capital[(2)]	$366,671	$917,511
Total	$5,147,652	$8,743,652

Notes:

(1) The amounts are net of a Scientific Research and Experimental Development tax credit of $174,444.
(2) Unallocated working capital will finance general corporate requirements, interest and from April 2018 debt repayments following completion of the above milestones before new financing is received.

The Resulting Issuer will spend the estimated funds available to it on completion of the Transaction for the principal purposes indicated above. Notwithstanding the foregoing, there may also be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve these objectives. See "Information Concerning the Resulting Issuer - Available Funds and Principal Purposes".

Current Capitalization:

Orletto currently has 5,493,000 Orletto Existing Shares outstanding and 549,300 Orletto Existing Options. Orletto has no other Orletto Shares or other securities outstanding. See "Information Concerning Orletto – Description of Orletto Securities".

Devonian currently has 28,284,091 Devonian Shares outstanding 6,700,001 Devonian Series A Existing Warrants giving the right to its holder to subscribe for 6,700,001 Devonian Shares, 332,777 Devonian Series B Existing Warrants giving the rights to its holder to subscribe for 415,972 Devonian Shares as well as the Devonian Existing Debentures totalling $1,548,900. Devonian has no other Devonian Shares or other securities outstanding. See "Information Concerning Devonian – Description of Devonian Securities".

Dividend Policy:

No dividends have been paid on any Orletto Existing Shares since the date of incorporation of Orletto and it is not contemplated that any dividends will be paid in the immediate or foreseeable future. If Orletto generates earnings in the foreseeable future, it expects that they will be retained to finance growth, if any, and, when appropriate, retire debt. The directors of Orletto will determine if and when dividends should be declared and paid in the future based on the Orletto's financial position at the relevant time. All of the Orletto Existing Shares are entitled to an equal share in any dividends declared and paid. See "Information Concerning Orletto – Dividends or Distributions".

Summary of Rights of the Amalco Shares:	The Amalco Subordinate Voting Shares, the Amalco Subordinate Exchangeable Voting Shares and the Amalco Multiple Voting Shares are substantially identical with the exception of the multiple voting and the exchange rights attached to the Amalco Multiple Voting Shares and the conversion right and restriction on transfer attached to the Amalco Subordinate Exchangeable Voting Shares. The Amalco Subordinate Voting Shares, the Amalco Subordinate Exchangeable Voting Shares and the Amalco Multiple Voting Shares shall rank pari passu with respect to the payment of dividends, return of capital and distribution of assets in the event of the liquidation, dissolution or winding-up of the Resulting Issuer. The holders of outstanding Amalco Subordinate Voting Shares, Amalco Subordinate Exchangeable Voting Shares and Amalco Multiple Voting Shares shall be entitled to receive dividends on a share for share basis on such dates and for such amounts and form as the board of directors of the Resulting Issuer may from time to time determine, without preference or distinction among or between the Amalco Subordinate Voting Shares, the Amalco Subordinate Exchangeable Voting Shares and the Amalco Multiple Voting Shares. Each Amalco Subordinate Voting Share and each Amalco Subordinate Exchangeable Voting Share shall confer the right to one vote per share. **Each Amalco Multiple Voting Share shall confer the right to six votes per share.** The Amalco Multiple Voting Shares are exchangeable into Amalco Subordinate Voting Shares on a one-for-one basis at any time at the option of the Principal Shareholders of Devonian and automatically in certain other circumstances. The Amalco Subordinate Exchangeable Voting Shares are exchangeable into Amalco Subordinate Voting Shares on a one-for-one basis in accordance with the Exchange Schedule (as defined herein) and are subject to certain restriction on transfer. See "Information Concerning the Resulting Issuer – Description of the Resulting Issuer Securities".
Take-Over Bid Protection:	In accordance with Applicable Securities Regulations designed to ensure that, in the event of a take-over bid, the holders of Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares will be entitled to participate on an equal footing with holders of Amalco Multiple Voting Shares, the Principal Shareholders of Devonian, as the owners of all the outstanding Amalco Multiple Voting Shares upon completion of the Transaction, will enter into the Coattail Agreement. The Coattail Agreement will contain customary provisions for TSXV listed corporations designed to prevent transactions that otherwise would deprive the holders of Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares of rights under applicable provincial take-over bid legislation to which they would have been entitled if the Amalco Multiple Voting Shares had been Amalco Subordinate Voting Shares. See ''Information Concerning the Resulting Issuer – Description of the Resulting Issuer Securities - Take-Over Bid Protection''.
Exchange Listing:	The Orletto Existing Shares are listed on the TSXV since September 9, 2014 under the symbol "OLE.P". The Devonian Shares are not listed on any exchange. Upon completion of the Transaction, the Amalco Subordinate Voting Shares will be listed for trading on the TSXV. See "Information Concerning Orletto – TSXV Information Concerning Orletto Existing Shares".
Agent and Relationship with Orletto and Devonian:	Investors are cautioned that the Agency Agreement should not be construed as any guarantee of the completion or merits of the Offering. The Agent is in no way related to Orletto or Devonian in accordance with Applicable Securities Regulations. See "Information Concerning Orletto – Relationship Between Orletto and the Agent" and "Information Concerning Devonian – Relationship Between Devonian and the Agent".

Risk Factors:	**An investment in the Units is speculative and involves a high degree of risk.** The proposed business of Orletto, and the Resulting Issuer, upon completion of the Transaction, is subject to various risks including but not limited to: the development and the revenues generated, the regulatory approvals, the capacity for Devonian or the Resulting Issuer, as the case may be, to develop alternative product candidates, the commercialization process, the success of third-party strategic collaborators, the breakthrough designation by the FDA and market approval, the fast track designation by the FDA, the intense competition from other companies, the competition from products for which no prescription is required, the ongoing obligations and continued regulatory review, the compliance with recently enacted and future legislation, the third-party coverage and reimbursement and health care cost, the termination or suspension of, or delays in the commencement or completion of, any necessary future studies, the development process of clinical drug, the reliance on third parties to conduct its clinical trials, the availability and supply of raw material, the protection of intellectual property right, the potential infringement on others' intellectual property rights, the possibility to never become profitable, the need and ability to access sufficient capital, the management growth, the ability to retain highly qualified personnel, the impact of a liability lawsuit brought, the potential future acquisition, the achievement of publicly announced milestones, the price of the securities that may fluctuate, the intention not to pay any dividend, there can be no assurance that an active market for the Amalco Subordinate Voting Shares will be sustained, the sale of Warrant Shares issued upon the exercise of Warrants or other security could encourage short sales by third parties which could further depress the price of the Amalco Subordinate Voting Shares, the lack of market for the Warrants, and opportunities or transactions that may adversely affect its business and financial condition. See "Risk Factors".

PRO FORMA FINANCIAL INFORMATION

The following table contains certain audited financial information regarding Orletto as at June 30, 2016, certain audited financial information regarding Devonian as at July 31, 2016 and certain unaudited consolidated pro forma financial information regarding Orletto as at September 30, 2016, as though the Amalgamation and certain other assumptions and adjustments, as described in the notes to the unaudited consolidated pro forma financial position of Orletto contained in the Prospectus, had taken place as at September 30, 2016. This table should be read in conjunction with the annual audited financial statements of Orletto for the fiscal year ended June 30, 2016, the annual audited financial statements of Devonian for the fiscal year ended July 31, 2016 and the unaudited consolidated pro forma financial position of Orletto as at September 30, 2016 contained in the Prospectus under Schedules "C", "H" and "E".

	As at June 30, 2016	**As at July 31, 2016**	**As at September 30, 2016**
	Orletto	**Devonian**	**Consolidated Pro forma[(1)] (Minimum Offering)**
	(audited)	**(audited)**	**(unaudited)**
Cash and term deposits	-	498,496	5,766,270
Cash held in trust	11,278	29,900	9,103
Accounts receivable	-	14,304	11,676
Subscription receivable	-	135	135
Amount receivable without interest	-	23,591	23,591
Inventories	-	37,402	34,161
Prepaid expenses	2,989	10,878	21,144
Total current assets	14,267	614,706	5,866,080
Deferred share issuance costs	73,257	174,185	-
Security deposit	-	14,400	14,400
Fixed assets	-	4,383,229	4,313,484
Intangible assets	-	4,888,000	4,888,000
Total assets	87,524	10,074,520	15,081,964
Accounts payable and accrued liabilities	35,361	392,965	538,340
Current portion of long term debt	-	4,390,726	4,230,379
Total current liabilities	35,361	4,783,691	4,768,719
Long-term debt	-	-	-
Debentures to be issued	-	15,000	-
Convertible debentures issued	-	1,076,259	-
Deferred income taxes	-	72,156	98,821
Total liabilities	-	5,947,106	4,669,898
Share capital	267,909	3,132,808	10,480,248
Stock options	53,404	-	334,400

	As at June 30, 2016	As at July 31, 2016	As at September 30, 2016
	Orletto	Devonian	Consolidated Pro forma[(1)] (Minimum Offering)
	(audited)	(audited)	(unaudited)
Warrants issued	-	612,437	1,537,293
Equity component of convertible debentures	-	366,643	-
Contributed surplus	-	196,786	196,786
Retained earnings (deficit)	(269,150)	(181,260)	(2,136,661)
Shareholders' equity	52,163	4,127,414	10,412,066
Total liabilities and shareholders' equity	87,524	10,074,520	15,081,964
Number of common shares	5,493,000	26,307,754	54,379,111

Note:

(1) See the notes to the unaudited consolidated pro forma financial position of Orletto dated September 30, 2016 regarding assumptions and adjustments. The unaudited consolidated pro forma financial position of Orletto dated September 30, 2016 may not be indicative of the future financial position of the Resulting Issuer.

SELECTED FINANCIAL INFORMATION OF DEVONIAN

The following tables set forth selected historical financial information regarding Devonian derived from its interim unaudited financial statements for the three-month period ended October 31, 2016 and its annual audited financial statements for the fiscal year ended July 31, 2016 and the notes thereto contained in the Prospectus under Schedules "F" and "H" and should be read in conjunction with such financial statements.

	Three-month period ended October 31, 2016 (unaudited)	Year ended July 31, 2016 (audited)
Revenues	-	-
Research and development expenses	80,491	536,991
Administrative expenses	250,596	1,162,713
Financial expenses	157,621	588,873
Loss from operation	(488,708)	(2,288,577)
Other item	-	45,531
Income (loss) before income taxes	(488,708)	(2,243,046)
Deferred income taxes	87,322	420,000
Net income (loss)	(401,386)	(1,823,046)

	As at October 31, 2016 (unaudited)	As at July 31, 2016 (audited)
Cash and term deposits	427,285	498,496
Cash held in trust	-	29,900
Accounts receivable	11,676	14,304
Subscription receivable	135	135
Amount receivable without interest	23,591	23,591
Inventories	34,161	37,402
Prepaid expenses	19,650	10,878
Total current assets	516,498	614,706
Deferred shares issuance costs	302,610	174,185
Security deposit	14,400	14,400
Fixed assets	4,313,484	4,383,229
Intangible assets	4,888,000	4,888,000
Total assets	10,034,992	10,074,520
Accounts payable and accrued liabilities	501,553	392,965
Current portion of long term debt	4,230,379	4,390,726
Total current liabilities	4,731,932	4,783,691
Long-term debt	-	-
Debentures issued	1,190,000	1,076,259
Debenture to be issued	-	15,000
Deferred income taxes	979	72,156
Total liabilities	5,922,911	5,947,106
Share capital	3,132,808	3,132,808
Share capital subscribed	317,233	-
Warrants issued	612,437	612,437
Equity component of convertible debentures	435,463	366,643
Contributed surplus	196,786	196,786
Deficit	(582,646)	(181,260)
Shareholders' equity	4,112,081	4,127,414
Total liabilities and shareholders' equity	10,034,992	10,074,520

INFORMATION CONCERNING ORLETTO

NAME, ADDRESS AND INCORPORATION

Orletto was incorporated pursuant to a certificate of incorporation under the CBCA on December 18, 2013.

The head and registered office of Orletto is located at 70 Dalhousie Street, Suite 300, Québec, Québec G1K 4B2.

Orletto does not have any subsidiaries.

GENERAL DEVELOPMENT OF BUSINESS

Orletto is a Capital Pool Company created pursuant to the Policy 2.4 and, to date, has not conducted material operations of any kind, other than to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction.

On September 9, 2014, Orletto completed its Initial Public Offering and the Orletto Shares commenced trading on the TSXV under the symbol "OLE.P". On May 15, 2015, Orletto entered into the Agreement in Principle with Devonian, as amended on April 7, 2016, which provides the parties' intent to complete the Amalgamation.

Since incorporation, Orletto has incurred costs in carrying out its Initial Public Offering, in seeking, evaluating and negotiating potential Qualifying Transactions, and in meeting the disclosure obligations imposed upon it as a reporting issuer. The following table sets forth certain audited financial information of Orletto for the fiscal year ended June 30, 2016 and certain unaudited financial information for the three-month period ended September 30, 2016. Such financial information is derived from the annual audited financial statements of Orletto for the fiscal year ended June 30, 2016 and from the condensed interim unaudited financial statements of Orletto for the three-month period ended September 30, 2016 and should be read in conjunction with such financial statements, which are attached hereto as Schedules "C" and "A".

	Fiscal year ended June 30, 2016 (audited)	**Three-month period ended September 30, 2016 (unaudited)**
Operating Expenses	$172,447	$2,978
Amounts deferred in connection with the Amalgamation	$73,257	$75,375

Financing

See "Information concerning Orletto – Plan of Distribution".

QUALIFYING TRANSACTION

Subject to TSXV, Securities Regulatory Authorities, Orletto Shareholders and Devonian Shareholders approvals, Orletto intends to complete a business combination by way of an amalgamation with Devonian which will constitute its Qualifying Transaction pursuant to the Policy 2.4. to form the Resulting Issuer, a new corporation governed by the CBCA to be called "Devonian Health Group Inc./Groupe Santé Devonian Inc." Devonian Shareholders will be asked to effect the continuance of Devonian from the QBCA to the CBCA and Devonian Shareholders and Orletto Shareholders will be asked to vote on a special resolution approving the Amalgamation. The Amalgamation will be effected pursuant to the terms and conditions of the Amalgamation Agreement and the provisions of the CBCA.

Amalgamation Agreement

The Amalgamation Agreement provides, in particular, that the Amalgamation must be approved by the TSXV as the Qualifying Transaction of Orletto in accordance with the Policy 2.4. The completion of the Amalgamation is also be subject to a number of conditions, including completion of the Offering, Orletto and Devonian Shareholders approvals and Orletto and Devonian board of directors approvals on the Amalgamation, the continuance of Devonian from the QBCA to the CBCA as well as satisfactory completion of the due diligence review by the Agent, and certain other usual conditions.

If the terms and conditions of the Amalgamation Agreement are satisfied, articles of amalgamation are expected to be filed with the Director under the CBCA on the Closing Date. The CBCA provides that, on receipt of articles of amalgamation in prescribed form, the Director under the CBCA shall issue the Certificate of Amalgamation, whereupon the Amalgamation will become effective.

On the Effective Date of the Amalgamation, Orletto will have merged with Devonian on a pre-money valuation of $30,000,000 for both corporations and at a conversion ratio of about 5% for the Orletto Shareholders and about 95% for the Devonian Shareholders, calculated on non-diluted basis prior to any issue of securities issuable upon the exercise of the Orletto Existing Options, the Devonian Existing Warrants, the conversion of the Devonian Existing Debentures and the issuance of Units under the Offering.

On the Effective Date of the Amalgamation and based on the foregoing conversion ratios for the Orletto Shareholders and the Devonian Shareholders, the following class of securities of Orletto and Devonian will be converted into securities of the Resulting Issuer as follows:

(i) each Orletto Existing Share outstanding shall be converted into 0.364099763 Amalco Subordinate Exchangeable Voting Share;

(ii) each Orletto Existing Option outstanding shall be converted into 0.364099763 Amalco Orletto Option;

(iii) each Devonian Share outstanding (other than those held by the Principal Shareholders of Devonian) shall be converted into 1.520609886 Amalco Subordinate Exchangeable Voting Share;

(iv) each Devonian Share outstanding held by the Principal Shareholders of Devonian shall be converted into 1.520609886 Amalco Multiple Voting Share;

(v) each Devonian Series A Existing Warrant outstanding shall be converted into 1.520609886 Amalco Devonian Warrant; and

(vi) each Devonian Series B Existing Warrant outstanding shall be converted into 1.9007623575 Amalco Devonian Warrant.

On the Effective Date of the Amalgamation, as for the Devonian Existing Debentures outstanding, they will be converted in principal and interest due as at the Closing Date, at a discount of 15% or 20% of the Offering Price depending on their issue date, for an aggregate of 2,849,751 Amalco Subordinate Voting Shares and 1,424,876 Amalco Devonian Existing Debentures Warrants, assuming that the Devonian Existing Debentures are converted on March 31, 2017.

Since the Offering will close concurrently to the Amalgamation and provided that subsequent closings of Offering may occur up and until the Maximum Offering is achieved, the Offered Orletto Shares and the Warrants comprised in the Units (including those comprised in the Additional Units, as the case may be), as well as the Agent's Option will ultimately be issued from the capital of the Resulting Issuer on a one-for-one basis. For more information concerning the attributes of the Amalco Subordinate Voting Shares. See section "Information Concerning the Resulting Issuer – Description of the Securities".

The following table provides details of all securities of the Resulting Issuer that will be outstanding on the Effective Date of the Amalgamation upon the conversion of securities of Orletto and Devonian.

Number and Designation of Securities Immediately Prior to the Effective Date of the Amalgamation	Number and Designation of Securities upon Conversion on the Effective Date of the Amalgamation
5,493,000 Orletto Existing Shares	2,000,000 Amalco Subordinate Exchangeable Voting Shares
549,300 Orletto Existing Options	200,000 Amalco Orletto Options
15,153,489 Devonian Shares (other than those held by the Principal Shareholders of Devonian)	23,042,545 Amalco Subordinate Exchangeable Voting Shares
13,130,602 Devonian Shares (held by the Principal Shareholders of Devonian)	19,966,523 Amalco Multiple Voting Shares
6,700,001 Devonian Series A Existing Warrants	10,188,088 Amalco Devonian Existing Warrants
332,777 Devonian Series B Existing Warrants	632,531 Amalco Devonian Existing Warrants
Devonian Existing Debentures totalling $1,548,900[(1)]	2,849,751 Amalco Subordinate Voting Shares 1,424,876 Amalco Devonian Existing Debentures Warrants

Note:

(1) Assuming the conversion of the Devonian Existing Debenture, in principal and interest due as at March 31, 2017, at a discount of 15% or 20% of the Offering Price depending on their issue date.

No fractional securities will be issued by the Resulting Issuer and no cash will be paid in lieu thereof due to the conversion of securities of Orletto and Devonian into securities of the Resulting Issuer. Any fraction resulting will be rounded to the nearest whole number with fractions of one half or greater being rounded to the next higher whole number and fractions of less than one half being rounded to the next lower whole number.

All Amalco Subordinate Exchangeable Voting Shares to be issued upon (i) the conversion of the Orletto Existing Shares; (ii) the conversion of the Devonian Shares (other than those held by Principal Shareholders of Devonian) and (iii) the exercise of the Amalco Devonian Existing Warrants outstanding on the Effective Date of the Amalgamation will be subject to the exchange schedule (the "Exchange Schedule") as set forth below, provided however that the board of directors of Amalco may, in its sole discretion, accelerate the Exchange Schedule.

Exchange Dates	Percentage of Total Amalco Subordinate Exchangeable Voting Shares to be Exchanged into Amalco Subordinate Voting Shares
On the Effective Date of the Amalgamation	20%
6 months following the Effective Date of the Amalgamation	10%
12 months following the Effective Date of the Amalgamation	20%
18 months following the Effective Date of the Amalgamation	20%
24 months following the Effective Date of the Amalgamation	30%
TOTAL	**100%**

Resulting Issuer

On the Effective Date of the Amalgamation, the corporation resulting from the Amalgamation will be the Resulting Issuer who will continue to carry on the business of Devonian, which is more fully described under section "Information Concerning Devonian – Description of the Business", and will own all of the assets, properties, rights, privileges and franchises and be subject to all of the liabilities, contracts and obligations of each of Orletto and Devonian. The name of the Resulting Issuer will be "Devonian Health Group Inc./Groupe Santé Devonian Inc." and its head office will be located at 360 des Entrepreneurs Street, Montmagny, Québec, G5V 4T1. The authorized capital of the Resulting Issuer will be comprised of securities whose attributes are summarized under section "Information Concerning the Resulting Issuer – Description of the Securities".

DIVIDENDS OR DISTRIBUTIONS

No dividends have been paid on any Orletto Existing Shares since the date of incorporation of Orletto and it is not contemplated that any dividends will be paid in the immediate or foreseeable future.

If Orletto generates earnings in the foreseeable future, it expects that they will be retained to finance growth, if any, and, when appropriate, retire debt. The directors of Orletto will determine if and when dividends should be declared and paid in the future based on the Orletto's financial position at the relevant time. All of the Orletto Shares are entitled to an equal share in any dividends declared and paid.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Orletto's amended management's discussion and analysis for the three-month period ended September 30, 2016 and management's discussion and analysis for the fiscal year ended June 30, 2016 are attached to the Prospectus and should be read in conjunction with Orletto's condensed interim unaudited financial statements for the three-month period ended September 30, 2016 and Orletto's annual audited financial statements for the fiscal year ended June 30, 2016, including the notes thereto. The aforementioned management's discussion and analysis and financial statements are attached hereto as Schedules "B", "D", "A" and "C".

To date, Orletto has raised its funds through the issuance of Orletto Shares. Orletto was funded through its Initial Public Offering when the founding shareholders of Orletto invested $100,000 and received 2,000,000 Orletto Shares, at a price of $0.05 per Orletto Share. The Orletto Shares were listed on the TSXV under the symbol "OLE.P" on September 9, 2014 as a Capital Pool Company after having completed an Initial Public Offering of 3,493,000 Orletto Shares, at a price of $0.10 per Orletto Share, representing a total consideration of $349,300. As at September 30, 2016, Orletto had a negative working capital amounting to $26,190 and current liabilities of $36,787. As of September 30, 2016, Orletto had total assets of $85,972.

DESCRIPTION OF SECURITIES DISTRIBUTED

General

The Offering consists of the issuance of a minimum of 8,000,000 Units and a maximum of 13,333,333 Units. Each Unit consists of one Offered Orletto Share and one-half of one Warrant. Each Warrant entitles its holder to purchase one Warrant Share, at a price of $1.10 per Warrant Share, for a period of 24 months from the Closing Date.

The Offered Orletto Shares and the Warrants comprised in the Units offered under the Offering have the following attributes and characteristics.

Offered Orletto Shares

Since the Offering will close concurrently to the completion of the Amalgamation, the Offered Orletto Shares comprised in the Units will ultimately be issued from the capital of the Resulting Issuer upon Closing. For more information concerning the attributes of the Amalco Subordinate Voting Shares, see section "Information Concerning the Resulting Issuer – Description of the Securities".

Warrants

Since the Offering will close concurrently to the completion of the Amalgamation, the Warrants comprised in the Units (including those comprised in the Additional Units, as the case may be) will ultimately be issued from the capital of the Resulting Issuer upon Closing. For more information concerning the attributes of the Warrants, see section "Information Concerning the Resulting Issuer – Description of the Securities".

THERE IS CURRENTLY NO MARKET THROUGH WHICH THE WARRANTS MAY BE SOLD AND PURCHASERS MAY NOT BE ABLE TO RESELL THE WARRANTS PURCHASED UNDER THE PROSPECTUS. THIS MAY AFFECT THE PRICING OF THE WARRANTS IN THE SECONDARY MARKET, THE TRANSPARENCY AND AVAILABILITY OF TRADING PRICES, THE LIQUIDITY OF THE WARRANTS, AND THE EXTENT OF ISSUER REGULATION. SEE "RISK FACTORS".

CONSOLIDATED CAPITALIZATION

There has been no material change in the share and loan capital of Orletto since the date of the unaudited condensed interim financial statements for the three-month period ended September 30, 2016 contained in the Prospectus. The following table summarizes Orletto's capitalization as of the date of the Prospectus. The table should be read in conjunction with Orletto's annual audited financial statements for the fiscal year ended June 30, 2016 and the condensed interim unaudited financial statements for the three-month period ended September 30, 2016, including the notes thereto, which are attached hereto as Schedules "C" and "A".

Designation of Security	**Authorized**	**Outstanding as at September 30, 2016** (unaudited)	**Outstanding as at June 30, 2016** (audited)
Orletto Existing Shares	unlimited	$267,909 (5,493,000 Orletto Existing Shares)	$267,909 (5,493,000 Orletto Existing Shares)
Long Term Debt	-	-	-

DESCRIPTION OF ORLETTO SECURITIES

General

Orletto is authorized to issue an unlimited number of Orletto Shares without nominal or par value, of which, as at the date of the Prospectus, 5,493,000 Orletto Existing Shares are issued and outstanding as fully paid and non-assessable, 549,300 Orletto Shares are reserved for issuance upon exercise of the Orletto Existing Options granted to directors and officers of Orletto under the Orletto Stock Option Plan (a limit of 549,300 Orletto Shares are reserved for issuance under the Orletto Stock Option Plan, being 10% of the number of Orletto Shares that are issued and outstanding at the closing of Orletto's Initial Public Offering).

PRIOR SALES OF ORLETTO SECURITIES

Since the date of incorporation of Orletto, 5,493,000 Orletto Existing Shares have been issued as follows:

Date	Number of Orletto Shares	Issue Price per Orletto Share	Aggregate Issue Price	Nature of Consideration
January 10, 2014	2,000,000[(1)]	$0.05	$100,000	Cash
September 9, 2014	3,493,000[(2)]	$0.10	$349,300	Cash
Total	5,493,000	N/A	$449,300	N/A

Notes:

(1) These Orletto Shares were issued to Orletto's directors and officers and are subject to escrow provisions. See "Information Concerning Orletto – Orletto Escrowed Securities".
(2) These Orletto Shares were issued pursuant to Orletto's Initial Public Offering. Of this number, 100,000 Orletto Shares were issued to Principals of Orletto and therefore are subject to escrow provisions. See "Information Concerning Orletto – Orletto Escrowed Securities".

TSXV INFORMATION CONCERNING ORLETTO SHARES

The Orletto Shares are listed on the TSXV under the symbol "OLE.P" since September 9, 2014. The closing price of the Orletto Shares was $0.08 on May 19, 2015, the most recent date open for trading before the Orletto Shares were halted prior to the announcement of the conclusion of the Agreement in Principle on May 20, 2015. Further to the TSXV Bulletin dated August 9, 2016, effective at the open, Friday, September 16, 2016, trading in the Orletto Shares has been suspended, since Orletto failed to complete a Qualifying Transaction within 24 months of its listing. Trading of the Orletto Shares will not resume until the completion of the Transaction.

The following table sets forth information relating to the trading of the Orletto Shares on the TSXV since the Orletto Shares were posted for trading on September 9, 2014.

	Price Range ($)		
Month	High	Low	Trading Volume
September 2014[(1)]	$0.00	$0.00	0
December 2014	$0.10	$0.10	5,200
March 2015	$0.10	$0.08	26,000
April 2015	$0.00	$0.00	0
May 2015[(2)]	$0.00	$0.00	0
June 2015 to September 2016[(3)]	-	-	-

Notes:

(1) Listing of the Orletto Shares on the TSXV occurred on September 9, 2014.
(2) Trading in the Orletto Shares on the TSXV was halted on May 20, 2015.
(3) The Orletto Shares have been suspended from trading on September 16, 2016 for failure to complete a Qualifying Transaction within 24 months of listing.

ORLETTO ESCROWED SECURITIES

As of the date of the Prospectus, there are 2,100,000 Orletto Escrowed Shares pursuant to the Orletto Escrow Agreement.

Number of Orletto Escrowed Shares	Percentage of Orletto Shares prior to Giving Effect to the Transaction	Percentage of Amalco Shares After Giving Effect to the Amalgamation and the Minimum Offering[(2)]	Percentage of Amalco Shares After Giving Effect to the Amalgamation and the Maximum Offering[(2)]
2,100,000[(1)]	38.23%	1.37%	1.25%

Notes:

(1) These Orletto Escrowed Shares are held in escrow by CST pursuant to the Orletto Escrow Agreement.
(2) Calculated on a partially diluted basis prior to any issue of securities issuable upon exercise of the Orletto Existing Options, the Devonian Existing Warrants but after the conversion of the Devonian Existing Debentures in principal and interest (assuming conversion on March 31, 2017), at a discount of 15% or 20% of the Offering Price depending on their issue date and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering.

These Orletto Escrowed Shares will be released at the following times:

1. 10% will be released from escrow on the issuance of the Final Exchange Bulletin (the "Initial Release"); and
2. 15% on the dates that is six months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

The Orletto Escrowed Shares are subject to the direction and determination of the TSXV. Specifically, the Orletto Escrowed Shares may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the consent of the TSXV. In the event an escrow shareholder is placed into bankruptcy, the Orletto Escrowed Shares may be transferred within escrow to the trustees in bankruptcy or any person entitled to the Orletto Escrowed Shares. In the event of the death of any escrow shareholder, the Orletto Escrowed Shares will be released from escrow and the Orletto Escrowed Shares will be delivered to the legal representatives of the deceased.

The Policy 2.4 requires that all securities beneficially owned, directly or indirectly, at the time of the Initial Public Offering, acquired pursuant to the Initial Public Offering or acquired from the treasury after the Initial Public Offering but prior to the Completion of the Qualifying Transaction, by Orletto's Insiders or related parties be held in escrow. In addition, all securities of Orletto of the class offered under its Initial Public Offering or issued prior to its Initial Public Offering at a price per share below the Initial Public Offering price, and all securities acquired by a Control Person in the secondary market prior to the completion of the Qualifying Transaction, shall also be held in escrow. The securities held in escrow shall not be released unless a Qualifying Transaction (other than a private placement) is completed by Orletto. If a Qualifying Transaction is not completed, the Orletto Escrowed Shares will be cancelled in accordance with the Policy 2.4.

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

As of the date of the Prospectus, Orletto has issued options, warrants and other rights to purchase Orletto Shares as described hereinafter. There is no guarantee that the options, warrants or other rights to purchase Orletto Shares as described hereinafter will be exercised in whole or in part. Except as indicated in the Prospectus, at this time, Orletto does not have any other outstanding options or warrants to purchase Orletto Shares.

Orletto Existing Options

Orletto currently has 549,300 Orletto Shares reserved for issuance upon the exercise of the 549,300 Orletto Existing Options issued under the Orletto Stock Option Plan (a limit of 549,300 Orletto Shares are reserved for issuance under the Orletto Stock Option Plan, being 10% of the number of Orletto Shares that are issued and outstanding at the closing of Orletto's Initial Public Offering) entitling its holder to subscribe for 549,300 Orletto Shares, at the price of $0.10 per Orletto Share, until September 9, 2019. See "Information Concerning Orletto – Statement of Executive Compensation – Orletto Stock Option Plan".

PRINCIPAL SECURITYHOLDERS AND SELLING SECURITYHOLDERS

To the knowledge of the directors and officers of Orletto, as of the date of the Prospectus, there is no person who beneficially own, controls or directs, directly or indirectly, Orletto Shares carrying more than 10% of the voting rights of the outstanding Orletto Shares.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holding

The following table sets out the name, municipality of residence, province and country of the directors, Promoter and executive officers of Orletto, their positions and offices with Orletto, their principal occupations during the five preceding years, the number of Orletto Shares beneficially owned or over which they directly or indirectly exercise control or direction, and the percentage of Orletto Shares to be held by each of them prior to the Transaction and on completion of the Amalgamation and the Offering.

Name, Municipality of Residence, Province and Country	Position and Office Held with Orletto[(1)]	Principal Occupation During the Five Preceding Years	Number and Percentage of Orletto Shares Prior to the Transaction	Number and Percentage[(2)] of Amalco Shares Upon Completion of the Amalgamation and the Minimum Offering[(3)(4)]	Number and Percentage[(2)] of Amalco Shares Upon Completion of the Amalgamation and the Maximum Offering[(3)(4)]	Directors or Executive Officers Since
Benoit Chotard[(5)] Burnaby, British Columbia Canada	President, Chief Executive Officer, Promoter and Director	Financial advisor for public and private companies	400,000 7.28%	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares (0.26%)	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares (0.24%)	Director, executive officer and Promoter of Orletto since December 18, 2013
Normand Drolet Magog, Québec Canada	Vice President, Chief Financial Officer and Director	Partner Gemini Conseil Inc.	400,000 7.28%	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares (0.26%)	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares (0.24%)	Director and executive officer of Orletto since December 18, 2013
Octavio Soares[(5)] Québec, Québec Canada	Director	Vice-president Finance Hygie Canada Inc.	400,000 7.28%	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares (0.26%)	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares (0.24%)	Director of Orletto since December 18, 2013
Cynthia Mailloux[(5)] Québec, Québec Canada	Director	Radiologist St-François-d'Assise Hospital	400,000 7.28%	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares (0.26%)	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares (0.24%)	Director of Orletto since December 18, 2013

Name, Municipality of Residence, Province and Country	Position and Office Held with Orletto[(1)]	Principal Occupation During the Five Preceding Years	Number and Percentage of Orletto Shares Prior to the Transaction	Number and Percentage[(2)] of Amalco Shares Upon Completion of the Amalgamation and the Minimum Offering[(3)(4)]	Number and Percentage[(2)] of Amalco Shares Upon Completion of the Amalgamation and the Maximum Offering[(3)(4)]	Directors or Executive Officers Since
Richard Provencher Québec, Québec Canada	Secretary	Lawyer and partner at Stein Monast L.L.P.	400,000 7.28%	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares (0.26%)	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares (0.24%)	Secretary of Orletto since January 10, 2014

Notes:

(1) Orletto's by-laws specify that the directors are elected annually by the shareholders and each director so elected shall hold office until the next annual meeting of the shareholders or until the election of his successor, unless he resigns or his office becomes vacant by death, removal or other cause.
(2) These percentages are based on the aggregate number of Amalco Subordinate Exchangeable Voting Shares and Amalco Subordinate Voting Shares held by these persons divided by the aggregate number of Amalco Shares following completion of the Amalgamation.
(3) Assuming no subscription of Units by these persons under the Offering. This percentage is calculated on a partially diluted basis prior to any issue of securities issuable upon exercise of the Orletto Existing Options, the Devonian Existing Warrants but after the conversion of the Devonian Existing Debentures in principal and interest (assuming conversion on March 31, 2017), at a discount of 15% or 20% of the Offering Price depending on their issue date and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering.
(4) Assuming conversion of 20% of the Amalco Subordinate Exchangeable Voting Shares upon completion of the Amalgamation in accordance with the Exchange Schedule.
(5) Members of the Audit Committee.

Collectively, the directors, executive officers and Promoter of Orletto, as a group, control 2,000,000 Orletto Shares, representing approximately 36.41% of the outstanding Orletto Shares prior to the Transaction.

Upon completion of the Transaction, the directors, executive officers and Promoter of Orletto, as a group, will beneficially own, control or direct, directly or indirectly, 728,200 Amalco Shares, representing 1.30% of the then outstanding Amalco Shares assuming the completion of the Amalgamation and the Minimum Offering (1.19% assuming completion of the Amalgamation and the Maximum Offering) and the conversion of the Devonian Existing Debentures in principal and interest due as at March 31, 2017, at a discount of 15% or 20% of the Offering Price depending on their issue date, but prior to any issue of securities issuable upon exercise of the Orletto Existing Options, the Devonian Existing Warrants, the Over-Allotment Option, the Agent's Option and the Warrants issued in connection with the Offering and assuming that no Units are purchased by such persons under the Offering (0.98% on a fully diluted basis assuming completion of the Minimum Offering and 0.84% on a fully diluted basis assuming completion of the Maximum Offering).

DIRECTORS' AND EXECUTIVE OFFICERS' BIOGRAPHIES

Benoit Chotard - President, Chief Executive Officer, Promoter and director

Benoit Chotard, 51 years old, has over 20 years of international corporate finance, management and public market expertise in British Columbia and Québec. Mr. Chotard is a Member of "Ordre des ingénieurs du Québec" since 1989. He obtained a bachelor's degree in Chemical Engineering in 1989 and a MBA in 1993, both from the University of Sherbrooke. Since January 2011, Mr. Chotard is a financial advisor for public and private corporations. Since December 2013, Mr. Chotard is Managing Partner for Capital Force United, a corporate finance advisory corporation that delivers focused advice and transaction expertise, and he was a Partner at Capital Force from January 2011 to November 2013. Between October 2009 and December 2010, he was Vice-president Corporate Development for Pakit Inc., a corporation specialized in sustainable cellulose fiber moulding technology to the packaging industry. Between July 2008 and January 2009, he acted as Senior Vice-president Finance Corporate Development and acting as Chief Financial Officer for CANTRONIC Systems (Canada) Inc., a corporation specialized in infrared thermal imaging and thermal imaging and night vision systems. Also, he was Director of Nouveau Monde Mining Enterprises Inc., a mining exploration corporation, from April 2012 to November 2012. Mr. Chotard is currently a director of Tetra Bio-Pharma Inc., a multi subsidiary publicly traded company engaged in the development of bio-pharmaceuticals and natural health products since September 2016. During his career, Mr. Chotard spent eight years as Head of the Technology Investment Group of National Bank Financial Inc. Throughout his career, he has been a significant contributor in the form of time, knowledge, and capital to many philanthropic organizations including the United Way of Canada. Mr. Chotard is an independent contractor and he has devoted approximately 10% of his time and efforts for the benefit of Orletto. He has not entered into a non-competition or non-disclosure agreement with Orletto.

Normand Drolet - Vice President, Chief Financial Officer and director

Normand Drolet, 60 years old, is a managing partner at Gemini Conseil Inc., a consulting firm in finance and strategy working with Québec's growing companies since November 2012.

Mr. Drolet is a Certified Management Consultant (CMC) and a member of the Order of Chartered Administrators of Québec (C. Adm.). He is also a member of the MBA Association of Québec and an associate member of "Réseau Capital" since 2013. He is also an Administrateur de sociétés certifiés (ASC) since 2014. He was Director of Phaneuf Group Inc. from September 2011 to December 2013.

Owner of a Master degree in Administration (specialization in strategy) and a bachelor of science in accounting from University of Québec at Abitibi-Témiscamingue, Mr. Drolet also earned a certificate in advertising from University of Montréal in March 1996 and a specialization in strategic planning from Michigan State University.

With a varied career that spans over 30 years, he has held senior positions and management positions at several corporations in manufacturing, service and information technology. His duties led him to work closely with a wide variety of entrepreneurs. During his long career, he has worked for over 10 years as a consultant in finance and strategy and for more than 15 years as owner-manager. Among other things, he was president and co-founder of Netgraphe Inc., the first internet publishing corporation listed in Canada in 1999, and founding president of an investment corporation involved in information technology. Meanwhile, he taught management as a lecturer for 4 years at the University of Québec. Mr. Drolet is an independent contractor and he has devoted approximately 10% of his time an efforts for the benefit of Orletto. He has not entered into a non-competition or non-disclosure agreement with Orletto.

Octavio Soares – Director

Mr. Octavio Soares, 64 years old, has over 35 years of experience in Business Management, Finance, International Trading and Business Strategy. Mr. Soares is a member of the "Ordre des comptables professionnels agrees du Québec" since January 1980. He obtained a bachelor's degree in administration from Laval University in May 1978 and a Master Degree in accounting of the same university in September 1978.He received the title of Fellow in 2006. Since June 2013, he is Vice-president Finance and shareholder of Hygie Canada Inc. a corporation specialized in specialty products restricting the spread of pathogens and reducing the risk of infection. Between September 2009 until June 2013, he was the Chief Financial Officer and Director of Threegold Resources Inc., an exploration corporation. Between January 1990 to September 2009, Mr. Soares assumed the role of Director and Assistant Chief Electoral Officer of Québec-Financing of political parties. In the past 20 years, Mr. Soares co-founded corporations in the hospitality, healthcare, animal products as well as import and export industries. Mr. Soares is an independent contractor and he has devoted approximately 10% of his time and effort for the benefit of Orletto. He has not entered into a non-competition or non-disclosure agreement with Orletto.

Cynthia Mailloux – Director

Dr. Cynthia Mailloux, 48 years old, is a specialized physician in radiology. She graduated from Laval University in 1997. She is specialized in MRI (magnetic resonance imaging) since 2003. She is a radiologist at Centre hospitalier universitaire de Québec (CHUQ) since January 2003 and teacher at Laval University since January 2008. Very involved in university education, she is responsible for continuing medical education of the entire radiology program in Laval University since 2008. She also collaborates on many research projects, especially in the musculoskeletal field. She was the Radiology Department Head in Centre hospitalier régional de Baie Comeau from 1997 until 2002. In 2011, she was nominated as the Assistant Program Director for the Diagnostic Radiology program at Laval University, then after from 2012 to March 2016, the Program Director. She has been a director of Investissements TSPL Inc. from July 2011 to March 2013. Dr. Mailloux is an independent contractor and she has devoted approximately 10% of her time and effort for the benefit of Orletto. She has not entered into a non-competition or non-disclosure agreement with Orletto.

Richard Provencher – Secretary

Mr. Richard Provencher, 57 years old, is the Coordinating Partner of the Securities Law practice group at Stein Monast L.L.P. since February 2003. He was called to the Barreau du Québec in 1983. Since the start of his career, Mr. Provencher has focused his practice in Securities Law, the purchase and sale of businesses as well as public and private financing. He is the co-author of the Securities law volume of the business law collection of Juris Classeur Québec. He is guest speaker for the certification in corporate governance program of the Collège des administrateurs du Québec, at the Managing a public Company workshop given by the TSX Venture Exchange and for the Bachelor's degree and Master's program of the faculty of law of Laval University. Mr. Provencher is an independent contractor and he has devoted approximately 5% of his time and effort for the benefit of Orletto. He has not entered into a non-competition or non-disclosure agreement with Orletto.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

To the knowledge of the board of directors of Orletto and based on the information provided by the directors, executive officers and Promoter of Orletto, none of these persons:

(a) is, as at the date of the Prospectus, or has been, within ten years before this date, a director, chief executive officer or chief financial officer of any corporation, including Orletto, which has been subject to one of the following orders:

(i) a cease trade order, an order similar to a cease trade order or an order that denied the relevant corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, while the person was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) a cease trade order, an order similar to a cease trade order or an order that denied the relevant corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, after the person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the person exercised these duties;

To the knowledge of the board of directors of Orletto and based on the information provided by the directors, executive officers, Promoter of Orletto or shareholders holding a sufficient number of securities of Orletto to affect materially the control of Orletto, none of these persons:

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

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

(c) has been imposed any penalties or sanctions by a court relating to securities legislation or by a securities regulatory authority or has not entered into a settlement agreement with a securities regulatory or has been imposed any penalties or sanctions by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Notwithstanding the above, Ms. Cynthia Mailloux, has been a director of Investissements TSPL Inc. from July 2011 to March 2013, for which a cease trade order was issued by the Autorité des marchés financiers and the British Columbia Securities Commission in January 2013 and by the Alberta Securities Commission in April 2013 for failure to timely file financial statements as required pursuant to Applicable Securities Regulations. On January 23, 2013, the Autorité des marchés financiers issued a permanent cease trade order.

CONFLICTS OF INTEREST

Certain directors and executive officers of Orletto may be exposed to conflicts of interest in connection with the operations of Orletto. Certain directors and executive officers of Orletto are involved or will continue to be involved in the business of companies or enterprises that might compete with Orletto or the Resulting Issuer, as the case may be. Consequently, there may be circumstances where directors and executive officers of Orletto will be in direct competition with Orletto or the Resulting Issuer, as the case may be. Conflicts of interest, if any, will be dealt with in accordance with the procedures and remedies set out in the CBCA.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this section, "Named Executive Officers", means each of the following individuals: (i) each individual who, in respect of Orletto, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer, (ii) each individual who, in respect of Orletto, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer, (iii) in respect of Orletto, the most highly compensated executive officer other than the individuals identified in paragraphs (i) and (ii) at the end of the most recently completed financial year whose total compensation was more than $150,000; and (iv) each individual who would be a Named Executive Officer under (iii) above, but for the fact that the individual was neither an executive officer of Orletto, nor acting in a similar capacity, at the end of that financial year.

For the purposes of this section the only "Named Executive Officers" of Orletto are Mr. Benoit Chotard, President, Chief Executive Officer, Promoter and director and Mr. Normand Drolet, Vice President, Chief Financial Officer and director.

Compensation Discussion and Analysis

Orletto is a Capital Pool Company, as defined in the Policy 2.4, and as such, it has not commenced commercial operations and has no assets other than cash. Except as specifically contemplated in the Policy 2.4, until the Completion of the Qualifying Transaction, Orletto will not carry on business, other than the identification and evaluation of companies, businesses or assets with a view to completing a proposed Qualifying Transaction. Pursuant to the Policy 2.4, prior to the Completion of the Qualifying Transaction, no payment of any kind has been made, or will be made, directly or indirectly, by Orletto to a Non Arm's Length Party of Orletto or a Non Arm's Length Party to the Qualifying Transaction, or to any person engaged in investor relations activities in respect of the securities of Orletto or any resulting issuer by any means, including remuneration such as salaries, consulting fees and directors fees. The directors and officers of Orletto may be granted stock options pursuant to the Orletto Stock Option Plan.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all compensation other than stock options and other compensation securities paid or earned by Orletto's Named Executive Officers and directors for the fiscal years ended June 30, 2015 and June 30, 2016.

Table of Compensation, Excluding Compensation Securities							
Name and Position	**Fiscal Year Ended on**	**Salary, Consulting Fee, Retainer or Commission ($)**	**Bonus ($)**	**Committee or Meeting Fees ($)**	**Value of Perquisites ($)**	**Value of all Other Compensation ($)**	**Total Compensation ($)**
Benoit Chotard, President, Chief Executive Officer, Promoter and Director	2015	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Normand Drolet, Vice President, Chief Financial Officer and Director	2015	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Octavio Soares, Director	2015	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Cynthia Mailloux, Director	2015	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil

Stock Options and Other Compensation Securities

The following table sets forth all compensation securities granted or issued to each Named Executive Officer and director of Orletto for the fiscal year ended June 30, 2016 for services provided or to be provided, directly or indirectly, to Orletto.

Name and Position	**Type of Compensation Security**	**Number of Compensation Securities, Number of Underlying Securities[5], and Percentage of Class[6]**	**Date of Issue or Grant**	**Issue, Conversion or Exercise Price ($)**	**Closing Price of Underlying Security on Date of Grant ($)**	**Closing Price of Underlying Security at Year End ($)**	**Expiry Date**
Benoit Chotard, President, Chief Executive Officer, Promoter and Director[1]	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities[5], and Percentage of Class[6]	Date of Issue or Grant	Issue, Conversion or Exercise Price ($)	Closing Price of Underlying Security on Date of Grant ($)	Closing Price of Underlying Security at Year End ($)	Expiry Date
Normand Drolet, Vice President, Chief Financial Officer and Director[2]	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Octavio Soares, Director[3]	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Cynthia Mailloux, Director[4]	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) As of the date of the Prospectus, Mr. Benoit Chotard holds an aggregate of 109,860 stock options (all vested) entitling him to acquire 109,860 Orletto Shares.
(2) As of the date of the Prospectus, Mr. Normand Drolet holds an aggregate of 109,860 stock options (all vested) entitling him to acquire 109,860 Orletto Shares.
(3) As of the date of the Prospectus, Mr. Octavio Soares holds an aggregate of 109,860 stock options (all vested) entitling him to acquire 109,860 Orletto Shares.
(4) As of the date of the Prospectus, Ms. Cynthia Mailloux holds an aggregate of 109,860 stock options (all vested) entitling her to acquire 109,860 Orletto Shares.
(5) Each stock option entitles the holder thereof to acquire one Orletto Share.
(6) The calculation of the percentage of class set out in the table is based on the number of issued and outstanding Orletto Shares immediately prior to the Amalgamation and assuming only the exercise of all outstanding Orletto Existing Options.

No director or Named Executive Officer has exercised any stock options during the fiscal year ended June 30, 2016.

Orletto Stock Option Plan

Orletto has adopted the Orletto Stock Option Plan on April 11, 2014 which provides that the board of directors of Orletto may from time to time, in its discretion, and in accordance with the TSXV requirements, grant to directors, officers and employees of Orletto and any of its subsidiaries and to consultants, non-transferable options to purchase Orletto Shares for a period of up to ten years from the date of the grant, provided that the number of Orletto Shares reserved for issuance under the Orletto Stock Option Plan must not exceed 549,300 Orletto Shares, being 10% of the number of Orletto Shares issued and outstanding at the closing of Orletto's Initial Public Offering.

The purpose of the Orletto Stock Option Plan is to promote the profitability and growth of Orletto by facilitating the efforts of Orletto to obtain and retain key individuals. The Orletto Stock Option Plan provides an incentive for and encourages ownership of the Orletto Shares by its key individuals so that they may increase their stake in Orletto and benefit from increases in the value of the Orletto Shares.

Pursuant to the Orletto Stock Option Plan, the maximum number of Orletto Shares reserved for issuance in any 12-month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Orletto Shares at the date of the grant. The maximum number of Orletto Shares reserved for issuance in any 12-month period to any consultant may not exceed 2% of the issued and outstanding Orletto Shares at the date of the grant while the maximum number of Orletto Shares reserved for issuance in any 12-month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Orletto Shares at the date of the grant. Disinterested shareholder approval must be obtained for any grant of incentive stock options to "Insiders" (as such term is defined in the policies of the TSXV) of Orletto, within a 12-month period, of a number of incentive stock options exceeding 10% of the issued and outstanding Orletto Shares .

Incentive stock options may be exercised within the greater of twelve (12) months after Completion of the Qualifying Transaction and 90 days following the date the optionee ceases to be a director, officer or employee of Orletto or its Affiliates or a consultant or a management company employee, provided that if the cessation of such position or arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

Notwithstanding the terms of the Orletto Stock Option Plan described above, the Policy 2.4 imposes certain restrictions on options during the period that Orletto remains a Capital Pool Company. Such restrictions shall remain in place until the TSXV issues the Final Exchange Bulletin (such bulletin indicating that the Resulting Issuer will not be considered a Capital Pool Company.) Under the Policy 2.4, Orletto, while it remains a Capital Pool Company, is limited to granting options to only directors, officers and consultants of Orletto. In addition, the total number of Orletto Shares reserved under options for issuance pursuant to the Orletto Stock Option Plan may not exceed 10% of the Orletto Shares to be outstanding at the closing of Orletto's Initial Public Offering. The maximum number of Orletto Shares reserved under options for issuance to any individual officer or director may not exceed 5% of the issued and outstanding Orletto Shares to be outstanding at the closing of Orletto's Initial Public Offering. The maximum number of Orletto Shares reserved under options for issuance to all consultants may not exceed 2% of the issued and outstanding Orletto Shares to be outstanding at the closing of Orletto's Initial Public Offering. In addition, while Orletto is a Capital Pool Company, it is prohibited from granting options to any person providing investor relations activities, promotional or market making services. The exercise price per Orletto Share under any option granted by Orletto while it is a Capital Pool Company may not be less than the greater of $0.10 and the Discounted Market Price, as defined in TSXV Policy 1.1. Any Orletto Shares acquired pursuant to the exercise of options prior to Completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued. The Orletto Stock Option Plan otherwise complies with provisions of TSXV Policy 4.4 *Incentive Stock Options* as it relates to pricing, shareholder approvals and other required terms.

Employment, Consulting and Management Agreements

There is no agreement or arrangement under which compensation was provided during the fiscal year ended June 30, 2016 or is payable in respect of services provided to Orletto that were (i) performed by its directors or Named Executive Officers, or (ii) performed by any other party but are services typically provided by its directors or Named Executive Officers.

Oversight and Description of Director and Named Executive Officer Compensation

The board of directors of Orletto has the responsibility for determining the compensation of its Named Executive Officers and directors. The Named Executive Officers and directors of Orletto received stock options pursuant to the Orletto Stock Option Plan.

The Policy 2.4 does not permit Orletto to pay any compensation to its Named Executive Officers and directors.

Pension Disclosure

Orletto does not provide any pension to its Named Executive Officers and directors.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of the Prospectus, no executive officer, director, proposed nominee for election as a director and each associate of any such persons, or employee, former or present, of Orletto was indebted to Orletto or to another entity where the indebtedness was subject to a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Orletto.

AUDIT COMMITTEE

The Audit Committee's Charter

The audit committee of Orletto (the "Audit Committee") has adopted the audit committee charter (the "Audit Committee Charter"), which outlines its authority and responsibilities. The full text of the Audit Committee Charter is attached as Schedule "J" hereto.

Composition of the Audit Committee

As of the date of the Prospectus, the Audit Committee is made up of the following individuals.

Name	Independent	Financially Literate
Benoit Chotard	No	Yes
Octavio Soares	Yes	Yes
Cynthia Mailloux	Yes	Yes

Relevant Education and Experience

All members of the Audit Committee have served on various public corporation boards of directors and on the audit committees of such boards. For the relevant education and experience of the Audit Committee members, see "Information Concerning Orletto – Directors' and Executive Officers' Biographies".

Audit Committee Oversight

At no time since the commencement of Orletto's most recent completed fiscal year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the board of directors of Orletto.

Reliance on Certain Exemptions

At no time since the commencement of Orletto's most recently completed fiscal year has Orletto relied on the exemption in Section 2.4 of *Regulation 52-110 respecting Audit Committees* (the "Regulation 52-110") (*De Minimis Non-Audit Services*), or an exemption from Regulation 52-110, in whole or in part, granted under Part 8 of this regulation.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies or procedures with respect to the awarding of contracts for non-audit services. However, the Audit Committee approves, from time to time, expenses made for non-audit related service contracts.

External Auditor Service Fees (By Category)

The following table provides information about the fees billed to Orletto for professional services rendered by Mallette L.L.P., Chartered Professional Accountants ("Mallette"), for the fiscal year ended June 30, 2015 and June 30, 2016.

	2015	2016
Audit Fees	$7,100	$19,430
Audit-Related Fees	n/a	n/a
Tax Fees	$2,675[(1)]	800[(2)]
All Other Fees	$3,200	n/a
Total	**$12,975**	**$20,230**

Notes:

(1) The fees were for preparation of Orletto's tax returns and for the preparation of a letter of opinion.
(2) The fees were for preparation of Orletto's tax returns.

Exemption

As Orletto is exclusively listed on the TSXV, it is a "venture issuer" and may avail itself of exemptions from the requirements of Part 3 - *Composition of the Audit Committee* and Part 5 - *Reporting Obligations* of Regulation 52-110, which provide for the independence of each member of an audit committee and the disclosure of audit committee information in an annual information form, respectively. Orletto has relied on the exemptions provided in Part 6.1 - *Venture Issuer* because not all members of the Audit Committee are independent and because, as a venture issuer, it is not required to file an annual information form.

CORPORATE GOVERNANCE

General Comment

The board of directors of Orletto believes that good corporate governance improves performance and benefits all Orletto Shareholders. The information on corporate governance provided hereinafter is required under *Regulation 58-101 respecting Disclosure of Corporate Governance Practices* and Policy 3.1 of the TSXV's *Corporate Finance Manual*.

Board of Directors

Disclose how the board of directors (the board) facilitates its exercise of independent supervision over management, including:

(a) the identity of directors who are independent:

Cynthia Mailloux and Octavio Soares are independent directors. The independent directors exercise their responsibilities for independent oversight of management and meet independently of management whenever deemed necessary.

(b) the identity of directors who are not independent, and the basis for that determination:

Benoit Chotard, President, Chief Executive Officer, Promoter and director and Normand Drolet, Vice President, Chief Financial Officer and director of Orletto are not independent directors within the meaning of Section 1.4 of Regulation 52-110 because they are executive officers of Orletto.

Directorships

If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

There is no director that is presently a director of other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction.

Orientation and Continuing Education

Describe what steps, if any, the board takes to orient new board members, and describe any measures the board takes to provide continuing education for directors.

The board of directors of Orletto encourages the directors to take relevant training programs offered by different regulatory bodies and gives them the opportunity to expand their knowledge about the nature and operations of Orletto.

Ethical Business Conduct

Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.

A director, in the performance of his duties and responsibilities, must act with complete honesty and good faith in the best interest of Orletto. He must also act in accordance with the applicable laws, regulations and policies.

In the event of a conflict of interest, a director is required to declare the nature and extent of any material interest he has in any important contract or proposed contract of Orletto, as soon as he becomes aware of the agreement or of Orletto's intention to consider or enter into the proposed contract and in such a case, the director shall abstain from voting on the matter.

Nomination of Directors

Disclose what steps, if any, are taken to identify new candidates for board nomination, including:

(a) who identifies new candidates:

The board of directors of Orletto designates new candidates for the position of director.

(b) the process of identifying new candidates.

The board of directors of Orletto carefully reviews and assesses the professional skills and abilities, the personality and other qualifications of each candidate, including the time and energy that the candidate is able to devote to this task as well as the contribution that he can make to the board of directors of Orletto.

Compensation

Disclose what steps, if any, are taken by the board to determine compensation for the directors and chief executive officer, including:

(a) who determines compensation:

Pursuant to the Policy 2.4, prior to the Completion of the Qualifying Transaction, no payment of any kind has been made, or will be made, directly or indirectly, by Orletto to the directors and chief executive officer of Orletto by any means, including remuneration such as salaries, consulting fees and directors fees. The directors and officers of Orletto may be granted stock options pursuant to the Orletto Stock Option Plan. See "Information Concerning Orletto – Statement of Executive Compensation – Orletto Stock Option Plan".

(b) the process of determining compensation:

See "Information Concerning Orletto – Statement of Executive Compensation".

Other Board Committees

If the board has standing committees other than the audit compensation and nominating committees, identify the committees and describe their function.

Besides the Audit Committee, the board of directors of Orletto does not have other standing committees.

Assessments

Disclose what steps, if any, that the board takes to satisfy itself that the board, its committees, and its individual directors are performing effectively.

Different methods are used to assess the board of directors of Orletto, namely, surveys, interviews, group discussions and other similar methods.

MATERIAL CONTRACTS

Other than contracts in the ordinary course of business, Orletto did not enter into any material contract within the fiscal year ended June 30, 2016, or prior to such fiscal year and that is still in effect, except:

(a) the Transfer Agent and Registrar Agreement dated April 15, 2014 between Orletto and CST entered into in connection with Orletto Initial Public Offering;

(b) the Agency Agreement dated May 30, 2014 between Orletto and RGMP entered into in connection with the Orletto Initial Public Offering;

(c) the Orletto Escrow Agreement. See "Information Concerning Orletto – Orletto Escrowed Securities";

(d) the Agreement in Principle.

Copies of these material contracts will be available for inspection without charge at the offices of Orletto's counsel, Stein Monast L.L.P., at 70 Dalhousie Street, Suite 300, Québec, Québec G1K 4B2, at any time during ordinary business hours up to and including the Effective Date of the Amalgamation, as well as for a period of 30 days thereafter. Please contact Richard Provencher at (418) 640-4427.

PLAN OF DISTRIBUTION

Orletto has engaged the Agent pursuant to the Agency Agreement to offer on a commercially reasonable efforts basis a minimum of 8,000,000 Units for aggregate gross proceeds of $6,000,000 and a maximum of 13,333,333 Units for aggregate gross proceeds of $10,000,000, subject to an additional aggregate gross proceeds of $1,500,000 should the Over-Allotment Option be exercised in full. The Offering Price was determined based upon arm's length negotiations between Orletto, Devonian and the Agent. The obligations of the Agent under the Agency Agreement are conditional and may be terminated in its sole discretion on the basis of its assessment of the state of the financial markets, its satisfaction with the results of their due diligence investigations and in certain other stated circumstances. While the Agent has agreed to use its commercially reasonable efforts to sell the Units, the Agent is not obligated to purchase any Units not sold.

Under the Agency Agreement, Orletto and Devonian have agreed to indemnify and hold harmless the Agent and each of its sub-agents, subsidiaries, Affiliates, directors, officers, shareholders, partners, advisors, employees and agents from and against any and all expenses, losses, claims, actions, damages and liabilities and to contribute to any payments the Agent may be required to make in respect thereof.

The Offering is not underwritten or guaranteed by any person. The Offering is made on a commercially reasonable efforts basis by the Agent who conditionally offers the Units, if, as and when issued by Orletto and accepted by the Agent in accordance with the terms and conditions contained in the Agency Agreement and subject to the approval of certain legal matters by Getz Prince Wells LLP on behalf of the Agent and by Stein Monast L.L.P. on behalf of Orletto and Devonian. All funds received from the subscription for the Units will be deposited and held by the Agent pursuant to the terms and conditions of the Agency Agreement and will not be released until the completion of the Offering and at least $6,000,000 has been deposited and the Agent has consented to such release. If subscriptions totalling a minimum gross proceeds of $6,000,000 have not been received within 90 days after the date of the receipt for the Prospectus or such other time as may be permitted by Applicable Securities Regulations and consented to by persons or companies who subscribed within that period and the Agent, all subscription monies will be returned to subscribers without interest or deduction, unless the subscribers have otherwise instructed the Agent. If the Minimum Offering is raised, it is expected that the initial closing of the Offering will take place on or about March 31, 2017, or such other date mutually agreed upon by Orletto and the Agent, provided that subsequent closings may occur up and until the Maximum Offering is achieved within 180 days from the date of receipt for the final prospectus dated October 27, 2016. Subscriptions will be received subject to rejection or allotment in whole or in part and Orletto reserves the right to close the subscription books at any time without notice.

Under the Agency Agreement, Orletto and Devonian have agreed with the Agent that during a period ending 90 days after the Closing Date, the Resulting Issuer will not directly or indirectly, issue, sell, offer, grant an option or right in respect of, or agree to or announce an intention to issue, sell, offer, grant an option or right in respect of, or otherwise dispose of any additional Amalco Subordinate Voting Shares or other securities convertible into or exchangeable for Amalco Subordinate Voting Shares, or agree to do so, or announce publicly its intention to do so, without having obtained the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed, except in conjunction with: (i) the exercise of the Over-Allotment Option; (ii) the exercise of currently outstanding stock options pursuant to the Orletto Stock Option Plan, or the New Stock Option Plan, as the case may be; (iii) the exercise of currently outstanding warrants or other currently outstanding convertible securities of Orletto, Devonian or the Resulting Issuer, as the case may be, and any securities issued pursuant to the Offering; and (iv) the issuance of securities pursuant to bona fide arm's-length property or share acquisitions, of other corporations or entities.

For a period of one year from the Closing Date, Orletto and Devonian have also agreed to provide the Agent with the exclusive right and opportunity to lead any offering of securities of the Resulting Issuer to be issued and sold to the public in Canada by private placement or public offering or to provide professional, sponsorship or advisory services performed (or normally performed) by a broker or investment dealer. If the Resulting Issuer is intending to proceed with any such issuance or has received a proposal for any such issuance, the Resulting Issuer shall provide the Agent notice of the proposed terms thereof (including the commission payable to that agent) and the Agent shall have an opportunity to respond to the Resulting Issuer that it is desirous of leading, or participating as the case may be, such offering on behalf of the Resulting Issuer on the terms and conditions contained therein. If the Agent declines, in writing, the Resulting Issuer may proceed with such offering through another agent or underwriter, provided the arrangements with such agent or underwriter are entered into within 30 days thereafter.

Pursuant to the Agency Agreement and in consideration for the services rendered by the Agent in connection with the Offering, the Agent will receive (i) the Agent's Fee equal to 10% of the gross proceeds of the Offering, including the gross proceeds from the sale of any Additional Units acquired upon exercise of the Over-Allotment Option and (ii) the Agent's Option that will entitle the Agent to purchase that number of Agent's Shares equal to 10% of the total number of Units sold pursuant to the Offering (including the number of Units sold pursuant to the exercise of the Over-Allotment Option), at a price of $0.75 per Agent's Share, for a period of 24 months from the Closing Date. The Agent's Option and the Agent's Shares issuable upon exercise of the Agent's Option are qualified for distribution under the Prospectus.

The Agent will also receive the Corporate Finance Fee and will be reimbursed for its legal fees and reasonable out-of-pocket expenses. The legal fees of the Agent will be capped at a maximum of $45,000, excluding taxes and disbursements, unless otherwise agreed to by Orletto. As of the date of the Prospectus, half of the Corporate Finance Fee ($22,500) and a $45,000 retainer against the Agent's legal fees and out-of-pocket due diligence expenses have been paid.

In order to cover for over-allotments, if any, and for market stabilization purposes, Orletto will grant the Agent the Over-Allotment Option, exercisable for a period of 30 days from the Closing Date, to purchase an additional number of Units equal to 15% of the number of Units sold pursuant to the Offering (the "Additional Units") at the Offering Price. The grant of the Over-Allotment Option and the Additional Units issuable upon exercise of the Over-Allotment Option are hereby qualified for distribution under the Prospectus. A purchaser who acquires Additional Units forming part of the Agent's over-allocation position acquires those securities under the Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

The TSXV has conditionally approved the listing of the Amalco Subordinate Voting Shares, the Agent's Shares and the Warrant Shares. Listing is subject to Orletto fulfilling all the listing requirements of the TSXV.

The Amalco Subordinate Voting Shares and Warrants and the Additional Units, if any, will be deposited with CDS or its nominees on the Closing Date. Transfers of ownership of the Amalco Subordinate Voting Shares and Warrants and the Additional Units, if any, deposited with CDS in Canada will be effected through records maintained by CDS Participants, which include securities brokers and dealers, banks and trust companies. Indirect access to the CDS book entry system is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly. Each purchaser of Units or Additional Units, if any, in Canada will receive a customer confirmation of purchase from the CDS Participant from or through which such Units or Additional Units, if any, are purchased in accordance with the practices and procedures of such CDS Participant. No certificates representing the Amalco Subordinate Voting Shares and Warrants and the Additional Units, if any, will be issued unless it is specifically required.

Pursuant to applicable securities legislation, the Agent may not, throughout the period of distribution under the Prospectus, bid for or purchase Amalco Subordinate Voting Shares or Warrants. The foregoing restriction is subject to exceptions, provided the bid or purchase is not engaged in for the purposes of creating actual or apparent trading in, or raising the price of, such securities. These exceptions include a bid or purchase permitted under the by-laws and rules of the TSXV relating to market stabilization and passive market-making activities.

The Units, the Amalco Subordinate Voting Shares and the Warrants and the Warrant Shares issuable upon exercise of the Warrants have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the "1933 Act") or any state securities laws of the United States and, subject to certain exceptions, may not be offered or sold in the United States or to or for the account of, or benefit of, any U.S. person, as that term is defined in Regulation S under the 1933 Act. However, the Units may be offered and sold in the United States pursuant to Rule 144A ("Rule 144A") under the 1933 Act only to persons who are "Qualified Institutional Buyers" within the meaning of such Rule. Any Units acquired by a Qualified Institutional Buyer in the United States pursuant to Rule 144A will be considered "restricted securities" within the meaning of Rule 144 under the 1933 Act and may not be resold in the United States except pursuant to a registration statement or an exemption from the registration requirements of the 1933 Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Units within the United States by a dealer (whether or not participant in the Offering) may violate the registration requirements of the 1933 Act if such offer or sale is made other than pursuant to Rule 144A.

RELATED PARTY TRANSACTIONS

Since its incorporation, Orletto has not acquired any assets or called upon the services of an Insider, a Promoter or a member of the management or any partner, and has not paid any commission to its directors or executive officers or any company related to them.

PROMOTER

Mr. Benoit Chotard may be considered the Promoter of Orletto in that he took the initiative in founding and organizing the business of Orletto. As of the date of the Prospectus, Mr. Benoit Chotard owns 400,000 Orletto Shares and 109,860 Orletto Existing Options. See "Information Concerning Orletto – Directors and Executive Officers" and "Information Concerning Orletto – Statement of Executive Compensation – Stock Options and Other Compensation Securities".

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There are no directors, executive officers or other persons that beneficially own, or control or direct, directly or indirectly, more than 10% of any class or series of the outstanding voting securities of Orletto, nor any associate or Affiliate of such persons that have had a material interest, direct or indirect, in any transaction within the three years before the date of the Prospectus that has materially affected or is reasonably expected to materially affect Orletto.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Since the beginning of the fiscal year ended June 30, 2016, there was no outstanding or contemplated legal proceedings for which Orletto is or was a party to, or that any of its property is or was the subject of, that involves a claim for damages, exclusive of interest and costs, that exceed 10% of the current assets of Orletto.

Orletto has not been the subject of (i) penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of the Prospectus or (ii) any other penalties or sanctions imposed by a court or regulatory body against Orletto necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; or (iii) settlement agreements entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of the Prospectus.

ARM'S LENGTH TRANSACTION

The Amalgamation is not a Non Arm's Length Qualifying Transaction.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of Orletto are Mallette located at 3075 chemin des Quatre-Bourgeois, Suite 200, Québec, Québec G1W 5C4.

Orletto's transfer agent and registrar is CST. The register of transfers of the Orletto Shares is held at CST's offices located in its place of business at 2001 Robert-Bourassa Blvd., Suite 1600, Montréal, Québec H3A 2A6.

RELATIONSHIP BETWEEN ORLETTO AND THE AGENT

Orletto is neither a "connected issuer" nor a "related issuer" (as such terms are defined in *Regulation 33-105 respecting Underwriting Conflicts* ("Regulation 33-105")) of the Agent.

INFORMATION CONCERNING DEVONIAN

NAME, ADDRESS AND INCORPORATION

Devonian is a corporation resulting from a long-form amalgamation under the QBCA on March 27, 2015 of Devonian Technologies Inc., Devonian Pharmaceutical Inc., Devonian Cosmetics Inc. and CONSULTANT GO CONTACT INC. ("Go Contact") (collectively, the "Pre-Merger Devonian Entities"). The Pre-Merger Devonian Entities had short history, had no business operations and had limited activities that were related to the purchase of the PurGenesis Technologies Inc. ("PurGenesis") assets and the merger of the Pre-Merger Devonian Entities. See section "Information Concerning Devonian – General Development of Business – History Since Inception".

Devonian's head office is located at 360 des Entrepreneurs Street, Montmagny, Québec, G5V 4T1.

INTERCORPORATE RELATIONSHIPS

Devonian does not have any subsidiaries.

GENERAL DEVELOPMENT OF BUSINESS

History Since Inception

On May 23, 2014, at the request of Investissement Québec ("IQ") which had, on or around June 12, 2009, made an offer to PurGenesis for a $5 million loan secured by a first rank mortgage on PurGenesis's assets (the "Loan"), which offer has been accepted on June 17, 2009, the Superior Court named Lemieux Nolet inc., Syndics de faillite et Gestionnaires ("Lemieux Nolet") as receiver to recover the money lent to PurGenesis. On August 24, 2014, Go Contact made an offer to purchase PurGenesis assets following a solicitation for the sale of PurGenesis assets made by Lemieux Nolet, which offer was accepted on September 19, 2014. The aggregate offer made by Go Contact included the consideration payable for the purchase of the PurGenesis assets and additional considerations such as the settlement of outstanding debentures held by former holders in PurGenesis' for an aggregate amount of approximately $6,000,000 and the settlement of a debt held by Agriculture Canada for an aggregate amount of approximately $3,000,000. On October 24, 2014, Go Contact and IQ signed a letter of agreement regarding Go Contact's purchase offer. On December 8, 2014, PurGenesis went bankrupt. Following the PurGenesis bankruptcy, on January 16, 2015, the Superior Court for the District of Montmagny ruled that the PurGenesis assets described in Lemieux Nolet's solicitation could be sold to Go Contact or any other legal entity designated by it and under its authority. After the merger of the Pre-Merger Devonian Entities on April 28, 2015, Devonian entered into an asset purchase and sale agreement with Lemieux Nolet in connection with the purchase of the assets of PurGenesis for a total gross proceeds of $5,989,706 (the "Asset Purchase Agreement"), the entering into of an assumption agreement with IQ and PurGenesis (the "Assumption Agreement") pursuant to which Devonian, among other thing, committed to be bound by the terms and obligations of the Loan and to proceed with the issuance of common shares of Devonian in payment of the debentures held by former holders in PurGenesis, and the settlement of debt held by Agriculture Canada representing, in the aggregate, approximately 15% of all of the issued and outstanding common shares of Devonian at the time of the closing of the acquisition of the PurGenesis assets. As of April 28, 2015, the aggregate amount of the Loan assumed by Devonian was $5,572,337 to which an amount of $417,368 was added in consideration for escrow fees of Lemieux Nolet and legal fees of IQ. Pursuant to the Asset Purchase Agreement, Devonian acquired the assets owned by PurGenesis, valued at $9,600,515, which consist mainly of land, a building, equipment, and intellectual property. On the same date, Lemieux Nolet entered into a deed of sale in connection with the property titles on the immovable within the registration division of Montmagny. Since April 28, 2015, Devonian assumed the development of products previously owned by PurGenesis. In accordance with the judgment authorizing the sale of the assets of PurGenesis and pursuant to the Asset Purchase Agreement, Devonian issued 63 warrants to former holders of PurGenesis' debentures entitling them to subscribe for approximately 10% of Devonian's share capital within 45 days of their issue in settlement of the outstanding debentures held by former holders of PurGenesis' debentures assessed at approximately $6,000,000. These debentures were subscribed for between June 2011 and June 2013 by former investors in PurGenesis and settled pursuant to the Asset Purchase Agreement. Following the exercise of 59 out of the 63 warrants, Devonian issued an aggregate of 1,395,233 Devonian Shares. See section "Information Concerning Devonian – Prior Sales of Devonian Securities". In addition, pursuant to the Asset Purchase Agreement, Devonian issued a warrant in favor of Agriculture Canada entitling the latter to subscribe for approximately 5% of Devonian's share capital under the same terms and conditions provided by the warrants issued to former holders of PurGenesis' debentures in settlement of the debt an amount assed to approximately $3,000,000. The warrant issued in favor of Agriculture Canada expired on June 11, 2015. See section "Information Concerning Devonian – Prior Sales of Devonian Securities".

On May 15, 2015, Devonian entered into the Agreement in Principle with Orletto in respect of the Amalgamation, which agreement was later amended on April 7, 2016.

On June 16, 2015, Devonian entered into a universal moveable hypothec with IQ on all of Devonian's moveable property, including the intellectual property, in the amount of $6,000,000 bearing interest at a rate of 25% per year. Devonian also entered into a universal immoveable hypothec with IQ on all Devonian's immoveable property, including the immovable located in Montmagny, in the amount of $6,000,000 bearing interest at a rate of 25% per year (collectively, the "Deeds of Hypothec").

Devonian has currently under development therapeutic products that include the PUR 0110, for the treatment of active mild-to-moderate distal ulcerative colitis and mild-to-moderate atopic dermatitis. It is customary that when a drug is at an advanced stage of development, the code name be changed to a generic name associated with the chemical structure of the product. Devonian has given to PUR 0110 the name of "Thykamine[tm]".

Short-term revenue products emerging from Devonian's platform include derma-cosmeceutical products.

Devonian has developed three women anti-aging formulations namely: Day Cream, Night Cream and Eye Lotion. Required *in vivo* cosmeceutical studies (healthy volunteers) were also conducted by an external specialized research organization and include a consumer panel study and one comparative study to two major anti-aging products.

The results obtained from these healthy volunteer studies confirmed Devonian's products were safe and were not associated with any sensitization or allergic response. In addition, the results showed Devonian's products performed much better than two leading anti-aging prestige creams after 28 days of use[1]. Furthermore, at the end of a consumer panel study of twelve participants conducted in Washington DC area (USA), 92% of the women indicated that they would switch to Devonian's product after fourteen days of use.[2]

Devonian intends to distribute its derma-cosmeceutical products as private labels through strategic partners in the first and second quarters of 2017.

Significant Acquisition and Disposition

See section "Information Concerning Devonian – General Development of Business – History Since Inception".

DESCRIPTION OF THE BUSINESS

General

Devonian is a late stage botanical pharmaceutical corporation with novel therapeutic approaches targeting unmet medical needs. Devonian's core strategy is to develop prescription botanical drugs which could be from plant materials, algae, macroscopic fungi, and combinations thereof. This strategy is supported by FDA set of regulatory guidelines[3], favouring a more efficient drug development pathway for prescription botanical drug products. Because of the unique nature of botanicals, FDA finds it appropriate to apply regulatory policies that differ from those applied to synthetic, semisynthetic, or otherwise highly purified or chemically modified drugs. The following table presents some key components of the botanical drug guidelines and its potential impact on the overall drug development pathway.

Table 1: Key compounds of botanical drug guidelines

Specific Regulation	Potential Impact as per management's opinion	Potential Impact on Drug Development as per management's opinion
FDA considers previous use as part of safety[4]	Non-clinical pharmacology & toxicology may be markedly reduced for legally available botanical products with no known safety issues[5]	• Faster Pre-Clinical Development • Less Costly
FDA recognizes molecular complexity[6]	Not essential to identify active(s) molecule(s) for ADME/PK[7]	• Faster Pre-Clinical Development • Less Costly
• Botanical drugs are cleared for specific indications just like a regular drug[8]; • Botanical drugs are coded and accessible for medication reimbursement plans; • Marketing exclusivity for either 5 years (if it is a new chemical entity) or 3 years from the time of approval, even in the absence of patent protection[9];		

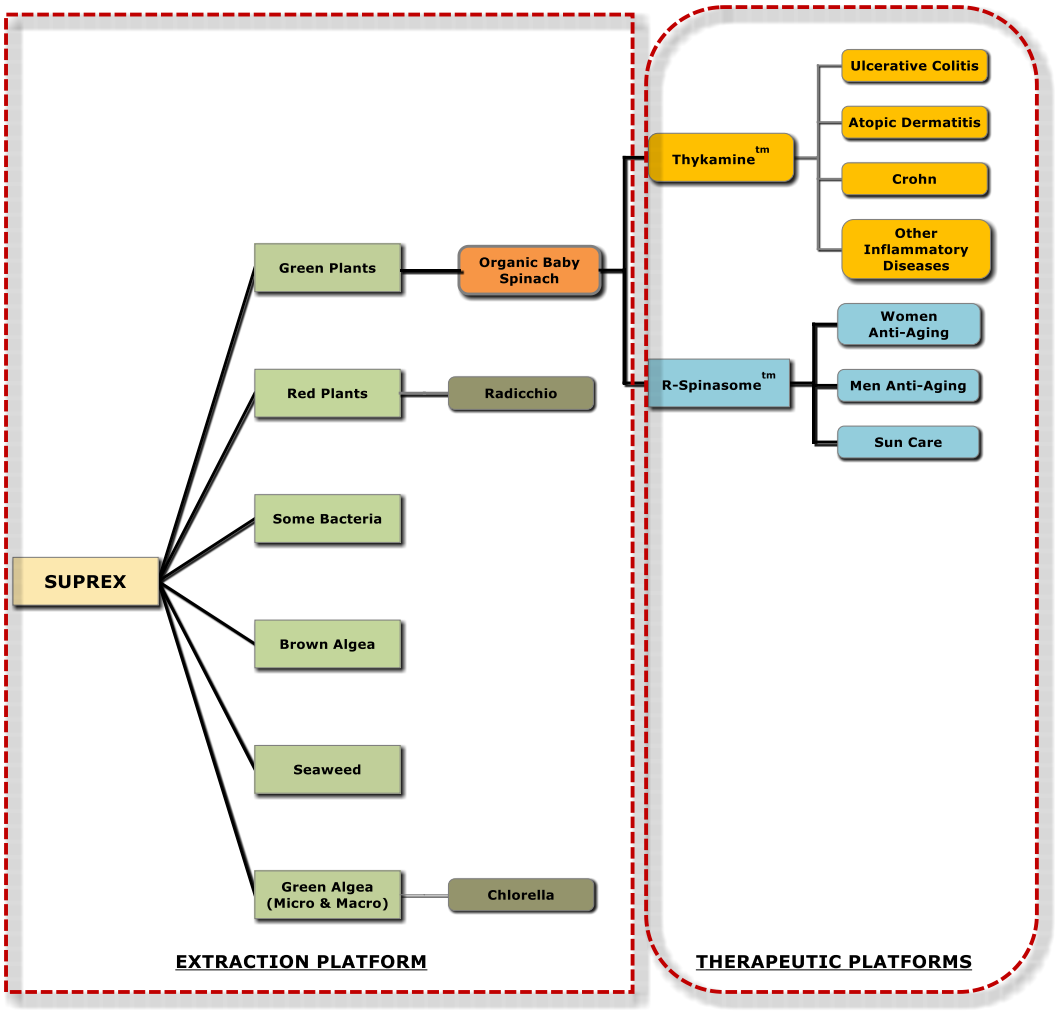
[1] Comparative Study for an Anti-Aging Facial Treatment (Day Cream, Night Cream & Eye Lotion), Study No 09G-0202, August 7th, 2009.
[2] Project Code Survey Results Day 14, The Benchmarking Company, March 10, 2010, p.5.
[3] Guidance for Industry: Botanical Drug Products; issued June 2004.
[4] *Ibid*, p. 5-6.
[5] *Ibid*, p. 5-6.
[6] *Ibid*, p. 27.
[7] *Ibid*, p.5.
[8] *Ibid*, p. 47.
[9] *Ibid*, p. 4-5.

Devonian is based on a broad-based platform originating from over ten years of research. This platform provides a process of extraction, purification, stabilization and conditioning of molecular complexes, as Active Botanical Ingredients (ABIs), from plants and algae: The Supra Molecular Complex Extraction and Stabilization Technology ("SUPREX"). Each ABI has the potential to target several diseases making it a strong therapeutic platform. Thykamine^{tm} is the first ABI issued from this platform. The potent anti-inflammatory, anti-oxidative and immunomodulatory activities of Thykamine^{tm} have been demonstrated in several pre-clinical studies (*in vitro* and *in vivo* pharmacology studies; safety pharmacology and toxicology studies) as well as in a Phase 1 clinical study in healthy adult volunteers, and in a Phase 2a "proof of concept" clinical study in patients with active mild-to-moderate distal ulcerative colitis. To date, all data support the potential use of Thykamine^{tm} as a therapeutic platform targeting several inflammatory diseases. The successful completion of this "proof of concept" Phase 2a clinical study allows Devonian to pursue the clinical development in ulcerative colitis with a large Phase 2 clinical trial. Prior to doing so, Management is planning to meet with the FDA in order to discuss several aspects of the development of Thykamine^{tm} in ulcerative colitis. Devonian intends to pursue the clinical development within this indication in the future but there is no assurance that it will be successful. See "Risk Factors".

Management has chosen another indication that is faster and less costly to complete as the lead Phase 2 clinical program. Devonian has developed a hydrogel formulation for dermatological applications. Devonian will initiate a Phase 2 clinical study program in patients with atopic dermatitis in Q2-2017 with targeted completion in Q4-2017.

While the proposed development of prescription botanical drugs is its core business, Devonian is also involved in the development of derma-cosmeceutical products as part of a secondary strategy to generate short-term revenues and optimize manufacturing efficiency.

Figure 1: SUPREX Extraction Platform



Devonian's business plan is to develop disease-specific pharmaceutical products with strong intellectual property/trademarks and to seek partners once the products have achieved proof of principle. Devonian does not currently have in-house sales and marketing or distribution capabilities and Devonian plans to seek an established commercial partner for the distribution, although there can be no assurance that it will be able to do so. See "Risk Factors".

Scientific achievements with Thykamine[tm]

Preclinical studies

Devonian has conducted numerous preclinical studies demonstrating the anti-inflammatory, antioxidative, and immunomodulatory properties of Thykamine[tm]. The preclinical studies include: (i) in vitro and in vivo pharmacology studies; and (ii) safety pharmacology and toxicology studies[10].

[10] Investigator Drug Brochure, Devonian Health Group Inc., March 2016.

Clinical trials to date

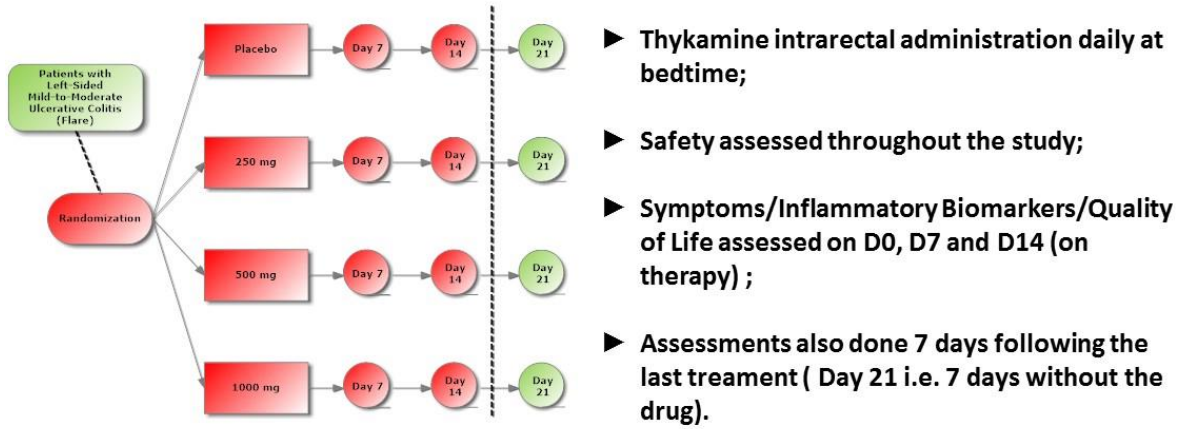
Having obtained positive results with Thykamine[tm] in preclinical studies, Devonian decided to begin developing it as a treatment for active mild-to-moderate distal ulcerative colitis. This led to the conduct of the first-in-man clinical trial in Germany, a Phase 1 safety clinical trial in normal human volunteers. Devonian therefore submitted a CTA to Germany's federal regulatory authority – The Federal Institute for Drugs and Medical Devices ("BfArM") and obtained the necessary approval.

The Phase 1 study was a randomized, double-blind, parallel-group, single-ascending dose, placebo-controlled safety and tolerability study performed in 24 healthy human volunteers assigned to four different cohorts. The doses ranged from 187.5 mg/60 g to 1500 mg/60 g of rectal enema or placebo[11].

The study showed no clinically relevant changes in vital signs (blood pressure, pulse rate, body temperature and respiratory rate) or electrocardiogram ("ECG"), no clinically significant abnormalities, no adverse events deemed related to the investigational medicinal product, and no signs of ulceration, erosion, or edema in the rectal mucosa when sigmoidoscopies were performed 8 to 10 hours after dosing.

Our conclusions from this study were as follows: administration of up to 1500 mg/60g of Thykamine[tm] rectal enema was safe and very well tolerated. There were no clinically significant findings in any measurements, and no clinically relevant changes were observed from the pre-dose to the post-dose examinations. In addition, a maximum tolerated dose was not identified in the dosage range studied.

Next, Devonian obtained approval from the German regulatory authority for the first-in-patient study. In this Phase 2a clinical trial, Devonian conducted a 2-week, exploratory randomized, double-blind, parallel-group, dose-ranging, placebo-controlled safety, tolerability, biomarker and efficacy clinical study of Thykamine[tm] rectal enema in patients with active mild-to-moderate distal ulcerative colitis. Schematic below shows the design of the study:

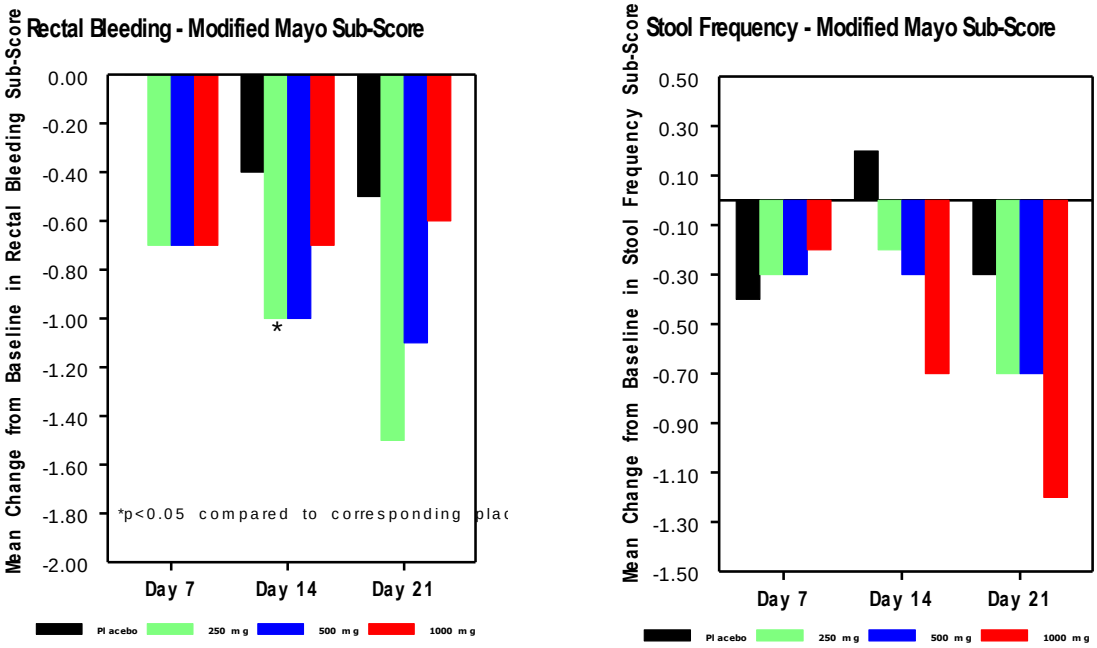


Findings from this short, 2-week study can be summarized as follows[12,13]. The primary objective of the study was met. Administration of 250 mg, 500 mg and 1,000 mg doses of Thykamine[tm] rectal enema once daily was safe and well tolerated in subjects with active mild-to-moderate distal ulcerative colitis. These results are consistent with the results of the preceding Phase 1 study, in which single ascending doses of Thykamine[tm] rectal enema from 187.5 to 1,500 mg were safely and tolerably administered to healthy volunteers and where a maximum tolerated dose was not observed.

[11] Randomized, Double-Blind, Parallel-Group, Single-Ascending Dose, Placebo-Controlled Safety and Tolerability Study of Pur 0110 Rectal Enema in Normal Healthy Volunteers, Integrated Report prepared by Focus Clinical Drug development GMBH for PurGenesis Technologies Inc. dated October 13, 2009.
[12] A 2-Week Exploratory Randomized, Double-Blind, Parallel- Group, Dose-Ranging, Placebo-Controlled Safety, Tolerability, Biomarker and Efficacy Clinical Study of Pur 0110 Rectal Enema in Mild-to-Moderate Distal Ulcerative Colitis, Integrated Report prepared by Focus Clinical Drug development GMBH for PurGenesis Technologies Inc. dated July 17, 2013.
[13] Supplementary Clinical Study Report for Additional Statistical Analysis Plan Pre-specified and Post Hoc Analyses – Supplement to the 2-Week Integrated Clinical Study Report – Prepared by Biopharmatech Consulting, Inc. for Devonian Health Group, Inc., dated December 9, 2015.

The following section with graphs present some of the important results of Thykamine[tm] treatment in patients with active mild-to-moderate distal ulcerative colitis, as observed in the Phase 2a study.

Figure 2: Mean changes from baseline in modified Mayo sub-scores in patients with active mild-to-moderate distal ulcerative colitis.[14]



Rectal Bleeding Sub-Score - Modified Mayo Score: There was a statistically significant (p=0.0496) reduction from baseline in the mean rectal bleeding sub-score for the Thykamine[tm]-250 mg dose group compared to placebo at Endpoint/Day 14. The 500 mg dose showed the same magnitude of reduction from baseline, however, the 0.6-point placebo-corrected improvement was not significant (Thykamine[tm] 250 mg: -1.0±0.6; 500 mg: -1.0±1.2; placebo: -0.4±0.5). At the Day 21 visit, there were further reductions from baseline in both treatment groups that approached but did not achieve statistical significance compared to placebo (Thykamine[tm] 250 mg: -1.5±0.8; 500 mg: -1.1±0.7; placebo: -0.5±0.6; Difference vs. placebo 1.0 [p=0.1078] and 0.6 [p=0.0633], respectively).[15]

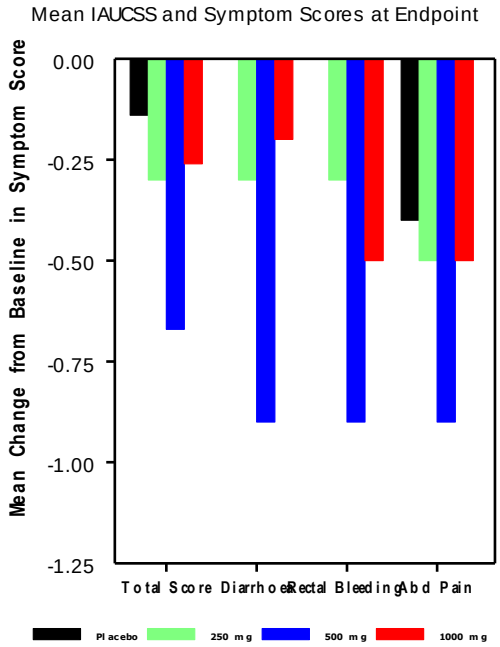
Stool Frequency Sub-Score - Modified Mayo Score: The stool frequency sub-scores showed a positive trend toward superiority of the Thykamine[tm] treatment groups over placebo with the mean change from baseline for the Thykamine[tm] 1000 mg group showing the largest magnitude of reduction compared to an increase in the placebo group at Endpoint/Day 14. However, it was not significant (-0.7±1.0 vs. 0.2±1.1; p=0.3819). There were further reductions at the Day 21 visit, resulting in the maintenance of the treatment difference of 0.9-point between the Thykamine[tm] 1000 mg group and placebo (-1.2±1.3 vs. - 0.3±0.5; p=0.3227)[16].

These approximately 1-point placebo-corrected improvements in the rectal bleeding and stool frequency sub-scores, the 2 cardinal signs/symptoms of ulcerative colitis, following treatment, confirm that Thykamine[tm] rectal enema has activity against the disease process in active mild-to-moderate distal ulcerative colitis, and can be considered to represent a change of symptom severity from moderate at baseline to mild at Endpoint/Day 14 and Day 21 on these sub-scales.[17]

[14] A 2-Week Exploratory, Randomized, Double-Blind, Parallel-Group, Dose-Ranging, Placebo- Controlled Safety, Tolerability, Biomarker and Efficacy Clinical Study of PUR 0110 Rectal Enema in Mild-to-Moderate Distal Ulcerative Colitis. Supplementary Clinical Study Report for Additional Statistical Analysis Plan Pre-specified and Post Hoc Analyses. Devonian Health Group Inc., December 9, 2015, p. 8.
[15] *Ibid*, p. 8.
[16] *Ibid*, p. 8.
[17] *Ibid*, p. 8 – 9.

In management's view, these results taken together, confirms the biological activity of Thykamine[tm] in active mild-to-moderate distal ulcerative colitis.

Figure 3: Mean changes from baseline in ulcerative colitis symptoms scores as assessed by investigators at Endpoint/Day 14[18].



Similarly, a consistent positive trend towards the superiority of Thykamine[tm] rectal enema (500 mg) over placebo was observed in the mean reductions in the ulcerative colitis symptoms scores with placebo-corrected improvements of approximately 1-point (range 0.5 to 0.9) assessed by the investigator (rectal bleeding 0.9, diarrhea 0.9, & abdominal pain 0.5 symptoms scores, and Mean score 0.6). **Again, the approximately 1-point placebo-corrected improvement represent a change in symptom severity from moderate at baseline to mild at Endpoint/Day 14 on the scale of the IAUCSS. These improvements were not significant probably due to the small sample size and the short treatment duration [19].**

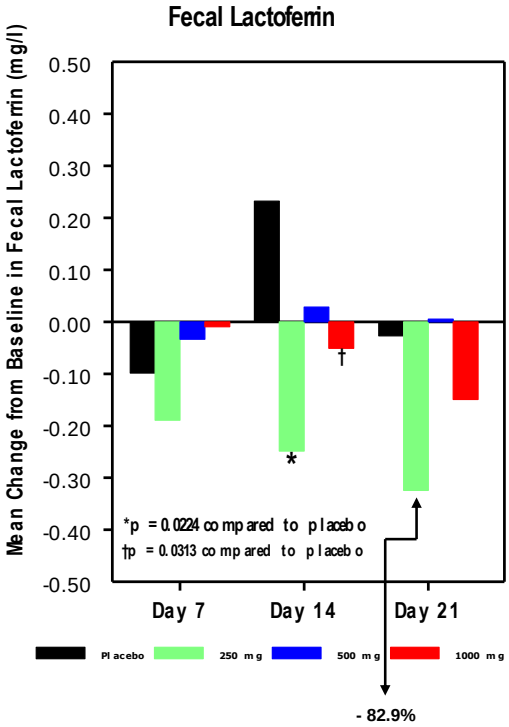
In management's view, these results are also further suggestive of the drug's biological activity.

Established Biomarkers of Inflammation Results – Objective Evidence of Biological Activity

A surprising result was the statistically significant reductions in the FL levels, a biomarker with high specificity and sensitivity to detect intestinal inflammation, by the 250 mg (-63.6% of baseline mean, p = 0.0224) and the 1,000 mg (-14.3% of baseline mean, p = 0.0313) doses at Endpoint/Day 14 compared to a 120.5% increase in the placebo group. There were further reductions in FL levels at the Day 21 visit by both doses of Thykamine[tm] to -82.9% (250 mg) and -41.9% (1,000 mg), however, those reductions were not statistically significant compared to placebo[20].

[18] *Ibid*, p. 9.
[19] *Ibid*, p.9.
[20] *Ibid*, p.11.

Figure 4: Mean Change from Baseline in Fecal Lactoferrin Levels By Treatment Group [21].

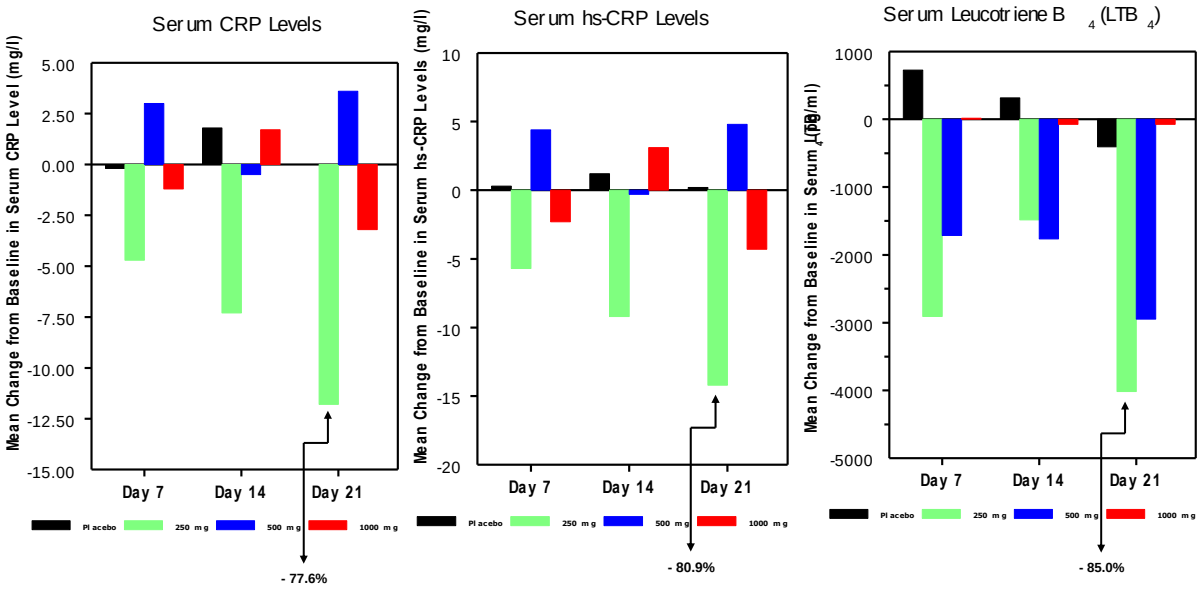


In addition, there was a statistically significant -14.3% reduction (from the baseline level) in the mean fecal lactoferrin level for the Thykamine[tm] -1000 mg dose group compared to the increase (120.5%) observed for the placebo group at Endpoint/Day 14 Visit (Thykamine[tm] -1000 mg: -0.0508 ± 0.07 vs Placebo: 0.2325 ± 0.17 g/l; p = 0.0313). Similarly, further reduction (to -41.9% of the baseline level) in the fecal lactoferrin level was observed at the Day 21 Visit, however, the reduction was not significantly different from the mean change in the placebo group (Thykamine[tm] -1000 mg: -0.1493 ± 0.17 vs Placebo: -0.0268 ± 0.33 g/l; p = 0.3730)[22].

The statistically significant reductions in the levels of fecal lactoferrin at endpoint with the 250 and 1000 mg dose groups were obtained with both the intent-to-treat and per protocol analyses indicating the robustness of this finding and further confirms the biological activity of Thykamine[tm] rectal enema in active mild to moderate distal ulcerative colitis[23].

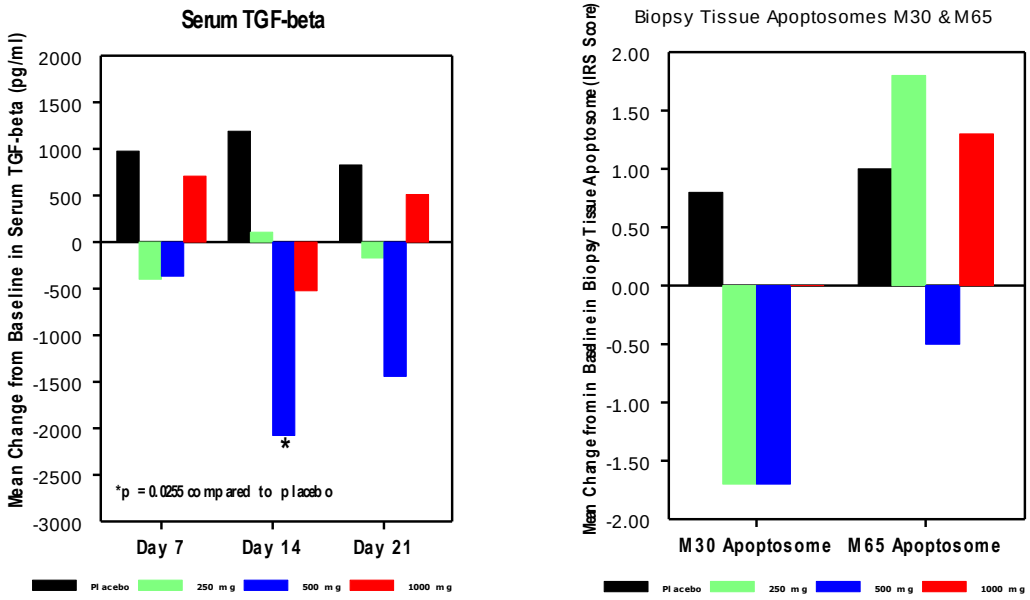
[21] *Ibid*, p. 11.
[22] *Ibid*, p.11 and 46.
[23] *Ibid*, p.11 and 46.

Figure 5: Changes from baseline in selected inflammatory biomarkers in patients with active mild-to-moderate distal ulcerative colitis[24].



Percent change = Mean change at Endpoint/Day 14 divided by Mean baseline value X 100%.

Figure 6: Changes from baseline in the levels of Serum TGF-β at all post-baseline visits and Biopsy Tissue M30 & M65 Apoptosomes concentrations at Endpoint/Day 14 by treatment group[25].



[24] *Ibid*, p. 12, 15, 48 and 53.
[25] *Ibid*, p. 14 and 15.

Exploratory Biomarkers of Inflammation[26]

Serum Transforming Growth Factor-beta (TGF-β): There were statistically significant reductions (-37.9%, p = 0.0255) in the serum TGF-β level at Endpoint/Day 14 in the 500 mg dose group compared to an increase in the placebo group (+81.9%). The reduction was maintained at Day 21. Similarly, there was a statistically significant reduction (-2.7%, p = 0.0429) in the serum M30 apoptosome level at Endpoint/Day 14 in the 250 mg dose group compared to an increase in the placebo group (+7.2%). The reduction was also maintained at Day 21[27].

Serum Leucotriene B_4 (LTB_4) levels: The reductions in the serum LTB4 levels were not statistically significant but showed a strong positive trend toward superiority over placebo. There were marked and consistent reductions in the serum LTB4 levels for all 3 doses at Endpoint/Day 14 compared to an increase in the placebo group (Thykamine[tm]-250 mg: -31.4%, p=0.5415;.500 mg: -28.0%, p=0.3509; 1000 mg: -22.2%, p=0.7000; Placebo: +29.0%). There were further marked reductions at the Day 21 visit to minus 85.0% (250 mg), -46.9% (500 mg) and -21.6% (1,000 mg) compared to a reduction in the placebo group to -37.3%[28].

Biopsy Tissue M30 Apoptosome: Also, there was a -42.5% reduction each in the concentration of M30 apoptosome, a biomarker of apoptosis, in colonic mucosal biopsy tissue in the Thykamine[tm] -250 mg and 500 mg dose groups at Endpoint/Day 14 visit compared to an increase in concentration of +28.6% in the placebo group. These results are consistent with the statistically significant reductions in the serum M30 apoptosome levels observed with the 250 mg dose[29].

The significant and marked reductions in the exploratory biomarkers of inflammation confirm the previous findings in animal pharmacology studies that Thykamine[tm] reduces the production and release of lipid mediators of inflammation including prostaglandins and leukotrienes. The results also provide additional objective evidence of the biological activity of Thykamine[tm] rectal enema on the intestinal inflammation in active mild-to-moderate distal ulcerative colitis, and may have implications for its mechanism of action.[30].

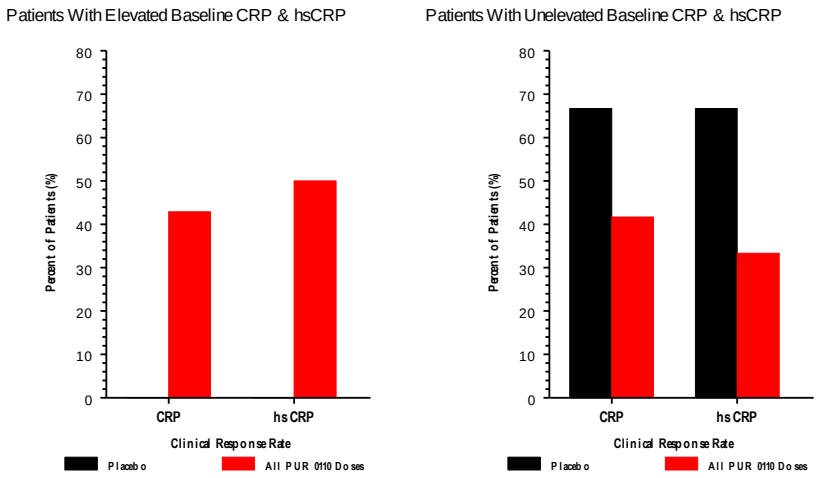
Post Hoc Analysis Results

Overall, there was enhanced activity, with the pooled Thykamine[tm] group showing progressively larger reductions from baseline, starting from the Day 7 Visit, and increasing to Day 21. The placebo response rates in patients with elevated baseline serum CRP and hs-CRP levels were lower than the rates observed for the patients with normal/unelevated baseline CRP and hs-CRP levels. Hence, there were statistically significant differences and in addition, some strong positive trends towards the superiority of the pooled Thykamine[tm] group over placebo. Patients with elevated baseline hs-CRP levels had better/enhanced results than those with elevated baseline CRP levels and this finding is novel[31].

Clinical Response Rates: There were larger absolute differences (placebo-corrected rates) in the clinical response rates between the combined Thykamine[tm] dose group and placebo for the patients with elevated baseline CRP (42.9%) and hs-CRP (50.0%) levels at Endpoint/Day 14. The rates were not significantly different from the rate in the corresponding placebo (0.0%) group in each case. In contrast, the absolute differences in the clinical response rates for the patients with normal/unelevated baseline CRP and hs-CRP levels were -25.0% and -33.4%, respectively, indicating the placebo group had numerically higher clinical response rate compared to the combined Thykamine[tm] group in each case[32].

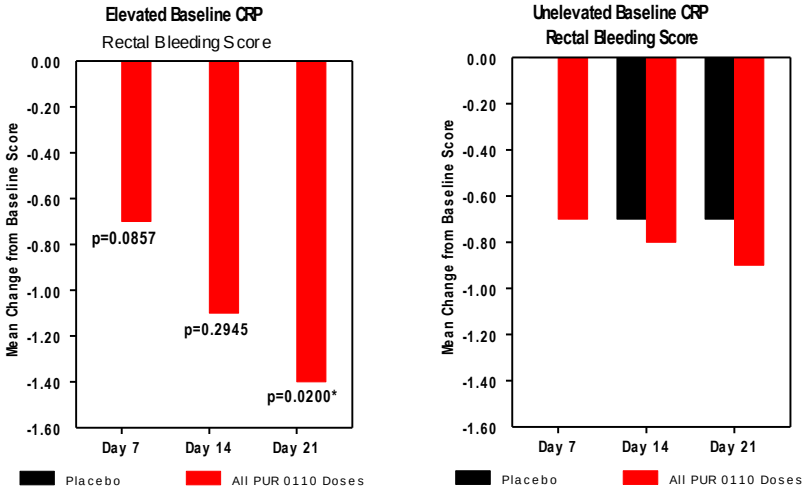
[26] *Ibid*, p. 13 and 14.
[27] *Ibid*, p. 14.
[28] *Ibid*, p. 13.
[29] *Ibid*, p. 14.
[30] *Ibid*, p. 14.
[31] *Ibid*, p. 15.
[32] *Ibid*, p. 15.

Figure 7: Clinical Response Rates in Patients With and Without Elevated Baseline CRP and hs-CRP Levels at Endpoint/Day 14 Visit By Treatment Group[33].

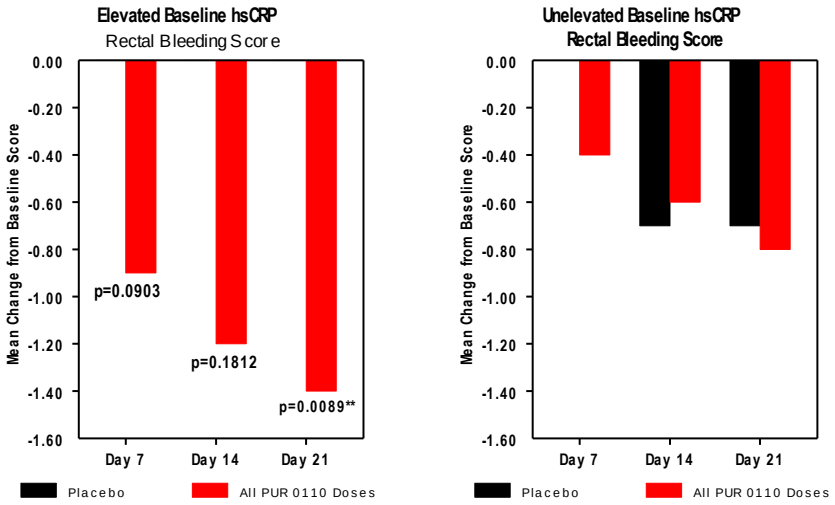


Rectal Bleeding Sub-Score – Modified Mayo Score: There were -1.1-point and -1.2-point placebo-corrected improvements at Endpoint/Day 14 for patients in the combined Thykamine[tm] group with elevated baseline CRP and hs-CRP levels, respectively, that approached but did not achieve statistical significance. However, at the Day 21 visit, there were further reductions and the -1.4-point (p=0.0200) and -1.4-point (p=0.0089) placebo-corrected improvements for patients with elevated baseline CRP and hs-CRP levels, respectively, were significantly different from placebo. These -1.1-point to -1.4-point improvements can be considered to represent a shift from moderate symptom severity at baseline to mild at Endpoint and Day 21 on this sub-scale of the modified Mayo score[34].

Figure 8: Mean Changes from Baseline in Rectal Bleeding Sub-Score of the Modified Mayo Score for Patients With and Without Elevated Baseline CRP (A) and hs-CRP (B) Levels By Treatment Group[35].



[33] *Ibid*, p. 65.
[34] *Supra*, note 16.
[35] *Ibid*, p. 18.

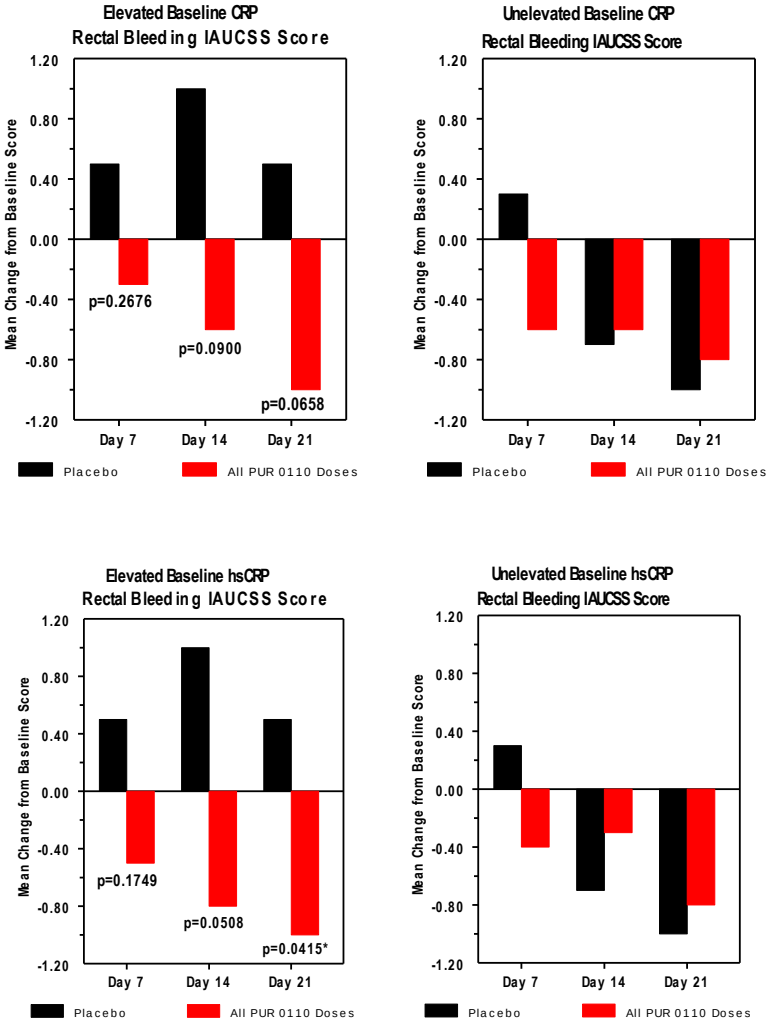


Stool Frequency Sub-Score – Modified Mayo Score: In patients with normal/unelevated baseline CRP levels, the stool frequency sub-score of the modified Mayo score showed a mean reduction for the Thykamine[tm] group at Endpoint/Day 14 that was statistically significantly different from the mean increase observed for the placebo group ($p = 0.0490$). In patients with unelevated baseline hs-CRP levels at Endpoint/Day 14, the stool frequency sub-score of the modified Mayo score showed a mean reduction for the Thykamine[tm] group that approached but did not achieve statistical significance compared to the mean increase observed for the placebo group ($p = 0.0718$)[36].

The observed significant 1.1-point and the nearly significant 0.9-point placebo-corrected improvements in the stool frequency sub-scores for patients with elevated baseline CRP and hs-CRP, respectively, at Endpoint/Day 14, can be considered to represent a shift from moderate symptom severity at baseline to mild at Endpoint/Day 14 on this sub-scale of the modified Mayo score. It is noteworthy that the significant improvement in the stool frequency sub-score observed in the patients with unelevated baseline CRP is consistent with the previously published reports in the literature that also showed some patients (although fewer) with normal or unelevated baseline CRP levels also responded positively to the ulcerative colitis treatments being investigated[37].

[36] *Ibid*, p. 16.
[37] *Ibid*, p. 17.

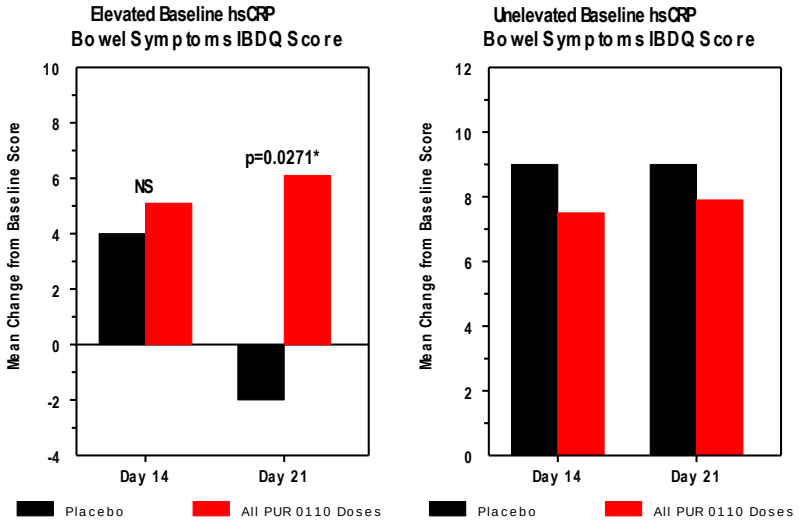
Figure 9: Mean Changes from Baseline in the Rectal Bleeding Symptom Score of IAUCSS for Patients With and Without Elevated Baseline CRP (A) and hs-CRP (B) Levels By Treatment Group[38].



Rectal Bleeding Symptom Score of the IAUCSS: There were -1.6-point and -1.8-point placebo-corrected improvements in the rectal bleeding symptom score of the IAUCSS at Endpoint/Day 14 for patients in the combined Thykamine[tm] group with elevated baseline CRP (p=0.0900) and hs-CRP (p=0.0508) levels, respectively, that approached but did not achieve statistical significance. However, at the Day 21 visit, there were further reductions and the -1.5-point (p=0.0658) and -1.5-point placebo-corrected improvements for patients with elevated baseline CRP and hs-CRP levels - further approached statistical significance and was significantly different from placebo, respectively. These -1.5-point to -1.8-point improvements represent a shift of symptom severity from moderate at baseline to mild at Endpoint /Day 14 and the Day 21 visits on this subscale of the IAUCSS[39].

[38] *Ibid*, p. 19.
[39] *Ibid*, p. 19.

Figure 10: Mean Changes from Baseline in the Bowel Symptoms Score of the IBDQ for Patients With and Without Elevated Baseline hs-CRP Levels By Treatment Group[40].



Bowel Symptoms Dimension Score of the IBDQ: At Day 21, patients in the combined Thykamine[tm] group with elevated baseline hs-CRP level showed a statistically significant improvement (increase) in the bowel symptoms dimension score of the IBDQ compared to placebo (Thykamine[tm] 6.1 ± 6.6 vs Placebo -2.0 ± 0.0; p = 0.0271). Since mean score changes of 16 to 32 points correspond to clinically meaningful improvement with the overall IBDQ score, the statistically significant 8.1-points placebo-corrected improvement in the bowel symptoms dimension score observed for the patients with elevated hs-CRP in the Thykamine[tm] group at the Day 21 Visit is clinically important. Furthermore, this finding corroborates the statistically significant improvements and the strong positive trends towards the superiority of Thykamine[tm] rectal enema over placebo observed with the rectal bleeding sub-score of the modified Mayo score and the rectal bleeding symptom score of the IAUCSS for patients with elevated baseline hs-CRP[41] .

Overall, these objective biomarkers' and clinical assessments' results complement each other and indicate that Thykamine[tm] rectal enema has biological activity in active mild-to-moderate distal ulcerative colitis, starting as early as Day 7 (the earliest study visit) and it appears to be most active against the 2 cardinal symptoms/signs of ulcerative colitis, rectal bleeding and stool frequency or bloody diarrhea[42].

Lack of a Dose-Response

The precise reason for the lack of a dose-response in the biomarker or clinical results following administration of Thykamine[tm] rectal enema obtained in this study is not precisely known. However, it could be due in part to the dosage range employed in the trial, the small sample size, the short duration of treatment (2 weeks), baseline C-reactive protein levels in the various treatment groups or it may be a combination of some or all the above reasons[43].

In addition, it is worthy of note that a dose-response relationship has not been demonstrated for the FDA-approved rectal/topical 5- aminosalicylates, the first-line treatment for active mild-to-moderate distal ulcerative colitis, as well as the biologicals that are approved for treating moderate-to-severe ulcerative colitis. Furthermore, the FDA-approved oral 5-aminosalicylates that are usually administered along with the rectal 5- aminosalicylates have not consistently demonstrated a dose-response relationship[44].

[40] *Ibid*, p.83.
[41] *Ibid*, p. 20.
[42] *Ibid*, p.20.
[43] *Ibid*, p. 92.
[44] *Ibid*, p.20.

Safety Results

The primary objective of the randomized controlled first-in-patient Phase 2a study was to evaluate the safety and tolerability of 3 doses of Thykamine[tm] rectal enema versus placebo in active mild-to-moderate distal ulcerative colitis. This objective was met and the excellent safety results obtained in this study were well reported and discussed in the integrated clinical study report[45]. The excellent safety profile of Thykamine[tm] rectal enema to-date and the biomarker and clinical assessments' results of this study suggests that it is reasonably likely that the key attributes for success are present at this point in its development. These results establish the feasibility of conducting a larger Phase 2 study with longer duration of treatment with Thykamine[tm] rectal enema[46].

Conclusions[47]:

- The objective evidence of activity as per the biomarkers and the clinical assessment's results of the clinical study together have demonstrated the biological activity of Thykamine[tm] rectal enema in patients with active mild-to-moderate distal ulcerative colitis.

- Despite the short 2-week duration of treatment and the lack of adequate statistical power, treatment with Thykamine[tm] rectal enema resulted in statistically significant and marked reductions in FL levels, and marked but non-statistically significant reductions in fecal calprotectin levels, both biomarkers with high specificity and sensitivity for detecting intestinal inflammation.

- Furthermore, Thykamine[tm] administration induced marked reductions in the levels of CRP and hs-CRP, and more modest reductions in ESR - all established biomarkers of inflammation, with strong positive trends towards superiority over placebo.

- In contrast to the marked and consistent reductions in the levels of FL, FC, CRP, hs-CRP and ESR following treatment with Thykamine[tm] (particularly the 250 mg dose), there were marked and consistent increases in the placebo group for each biomarker. This clearly indicates Thykamine[tm] has biological activity in active mild-to-moderated distal ulcerative colitis.

- In addition, Thykamine[tm] rectal enema statistically significantly improved rectal bleeding and non-statistically significantly improved stool frequency/diarrhea, the 2 cardinal symptoms/signs of ulcerative colitis, as well as abdominal pain.

- The activity of Thykamine[tm] rectal enema was enhanced in patients with elevated baseline CRP and hs-CRP levels consistent with previously published reports.

- The significant improvement in the bowel symptoms dimension score of the IBDQ, a disease-specific health-related quality of life questionnaire, corroborates the symptoms' improvement observed during the study.

- The measurements of hs-CRP levels in ulcerative colitis and the finding that patients with elevated baseline hs-CRP levels had better/enhanced results than those with elevated baseline CRP levels is novel.

- The excellent safety profile of Thykamine[tm] rectal enema to-date and the objective biomarkers' and clinical assessments' results of this study, together suggests that it is reasonably likely that the key attributes for success are present at this point in its development.

- Lastly, these results establish the feasibility of conducting a larger sample-sized Phase 2b study with longer duration of treatment with Thykamine[tm] rectal enema in patients with active mild-to-moderate distal ulcerative colitis.

[45] *Ibid*, p.86.
[46] *Ibid*, p.93.
[47] *Ibid*, p.20.

Planned Clinical Trials

All of the clinical trials completed to date (Phase 1 and Phase 2a) were conducted in Germany following approvals obtained from the German federal regulatory authority, BfArM, and in accordance with the International Conference on Harmonization (ICH) Good Clinical Practice guidelines. Devonian therefore believes that the data from all of these studies can be used in future regulatory filings in the United States and Canada. Devonian has also had pre-Investigational New Drug Application (pre-IND) meetings with the FDA's Divisions of Gastroenterology and Dermatology in the United States, and a pre-clinical trial application (pre-CTA) meeting with Health Canada. The main purposes of these meetings were to review the file on Thykamine[tm] and to determine specific requirements for a North American IND application.

Ulcerative Colitis

Devonian already has plans for a larger Phase 2b clinical trial and of longer treatment duration: a 12-week, randomized, double-blind, parallel-group, dose-ranging, placebo-controlled efficacy, safety and tolerability study of Thykamine[tm] rectal enema to treat mild-to-moderate distal ulcerative colitis. Devonian intends to request a meeting with the FDA by the end of 2017. The meeting will allow Devonian to submit to the FDA the results of the *in vitro* and *in vivo* pharmacology studies, the safety pharmacology and toxicology studies, and the results of the Phase 1 and 2a clinical studies along with the clinical trial protocol of the planned Phase 2b study. Management believes that the safety and efficacy profile of Thykamine[tm] demonstrated in all the former studies should provide justification for the FDA to allow Devonian to proceed with the Phase 2b clinical trial without any safety issues. Devonian's management intends to underline, to the FDA, Thykamine[tm]'s novel mechanism of action as well as its fast onset of action with the goal of qualifying it as a breakthrough therapy or getting the Fast Track Designation. A breakthrough therapy is a drug intended alone or in combination with one or more other drugs to treat a serious or life threatening disease or condition and for which preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. If a drug is designated as breakthrough therapy, the FDA will expedite its development and review. In the event the breakthrough designation is not granted by the FDA, Devonian intends to request a fast track designation.

If following the above described meeting either qualification of Thykamine[tm] is not accepted by the FDA, management believes that the results of the larger Phase 2b clinical trial in patients with active mild-to-moderate distal ulcerative colitis, together with those obtained in the Phase 2a and I clinical studies, and in the various animal models along with its novel mechanism of action, may qualify Thykamine[tm] rectal enema for designation as a breakthrough therapy by the FDA. Therefore, Devonian will then request a breakthrough therapy designation for this product. For more information, see section "Information Concerning Devonian – Description of Business – Operations - Regulatory Framework".

FDA breakthrough designation of Thykamine[tm] as a treatment for ulcerative colitis would have a major impact on Devonian, because it would position Devonian for a strong strategic alliance with a commercial partner.

At the same meeting with the FDA, Devonian plans to present the rationale for moving into the next clinical trials with an oral formulation of Thykamine[tm] that targets the release of Thykamine[tm] into the distal portion of the colon. There can be no assurance that this meeting will yield the intended results. See "Risk Factors".

Atopic Dermatitis

The safety results obtained in the Phase 1 and Phase 2a clinical studies, together with those that have been obtained in a 28-day non-occluded repeated-dose dermal toxicity study in minipigs and in a phototoxicity study, will allow Devonian to move into Phase 2 clinical trials in patients with mild-to-moderate atopic dermatitis. Devonian has filed a Phase 2 protocol with Health Canada and plans to begin the Phase 2 clinical trial program in Q2-2017 and complete it in Q4-2017.

Derma-cosmeceutical Products

All of Devonian's skin-care products are developed by the same approach as the pharmaceutical products, with strong safety and efficacy data, which positions these products as science-based.

The first derma-cosmeceutical products that Devonian has developed are PurGenesis™ women's anti-aging product line consisting of day, night, and eye creams.

Preclinical studies have shown that it protects against the effects of UV rays and may indeed potentiate the protective effect of conventional sunscreens. In management's view, these properties will allow Devonian to move into a whole new area of skin care with its products[48].

Devonian has a line of cosmeceutical products — women's anti-aging creams — that are now entering the commercialization phase and will generate revenues in the short-term. This first product line will be followed by a men`s anti-aging products line and a sun-care products line that should be ready for market in Q4-2017.

Stage of Development

For more information on the stage of development of Devonian's project, see "Information Concerning Devonian – Description of the Business - Scientific achievements with Thykamine[tm]" and "Information Concerning the Resulting Issuer - Available Funds and Principal Purposes".

Research and Development

Devonian is not directly involved in discovery of new active botanical ingredients. To select new added-value products and bring them to targeted markets, Devonian works with private-sector firms and world-recognized academic institutions. Within this network, Devonian plays the role of a "development hub".

Devonian makes use of this network not only to select new products for development but also to conduct applied research on its flagship product, Thykamine[tm]. Network partners will be conducting applied research projects on the following aspects of Thykamine[tm]:

- structural characterization;
- mechanism of action.

The extraction process used to produce Thykamine[tm] also generates some by-products. One of these is a sterile liquid that management believes may have derma-cosmeceutical applications.

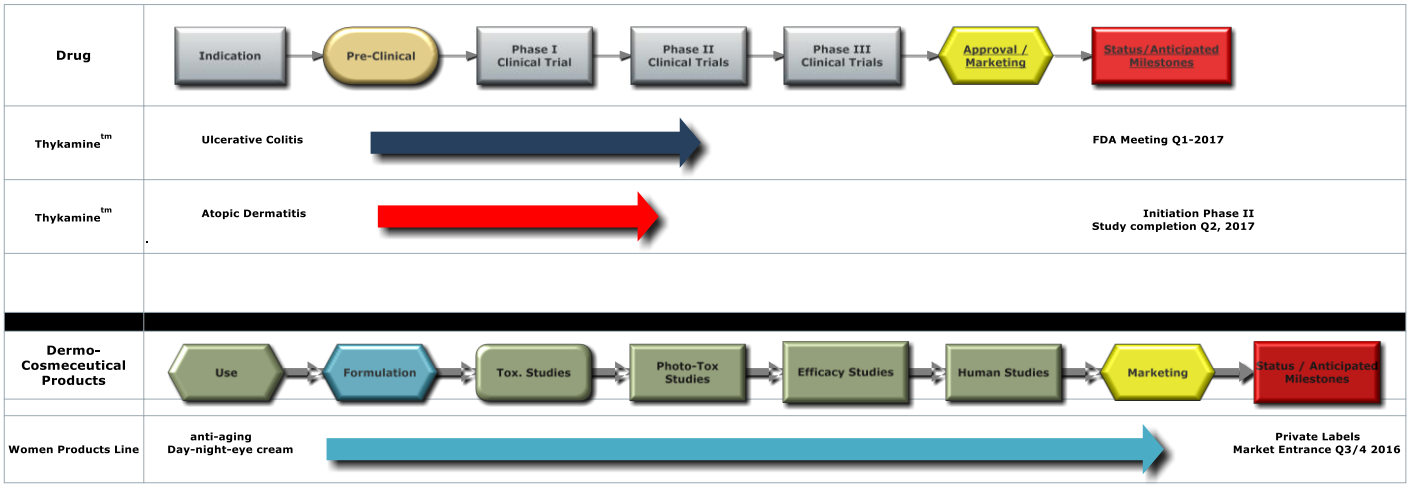
Additional Steps Required to Reach Commercial Production

Devonian is still several years away from commercialization and productions. All materials used in Devonian's pharmaceutical program must be manufactured in accordance with FDA's current Good Manufacturing Practice (cGMP) guidelines. The multiple levels of control that these regulations require throughout all manufacturing steps significantly contribute to the high production costs of Thykamine[tm].

Devonian's 1,625-square-metre facility in Montmagny, Québec should be ready, in the case of the Maximum Offering, for FDA cGMP qualification by Q2-2018.

[48] Evaluation of PCT (FRTS) efficacy against tissue and DNA damage induced by ultraviolet A and ultraviolet B irradiation, in Engineered Human Skin (EHS). PureCell Technologies Inc., 2001.

Figure 11: Development Status of Pharmaceuticals & Derma-Cosmeceutical Products



Material Regulatory Approvals

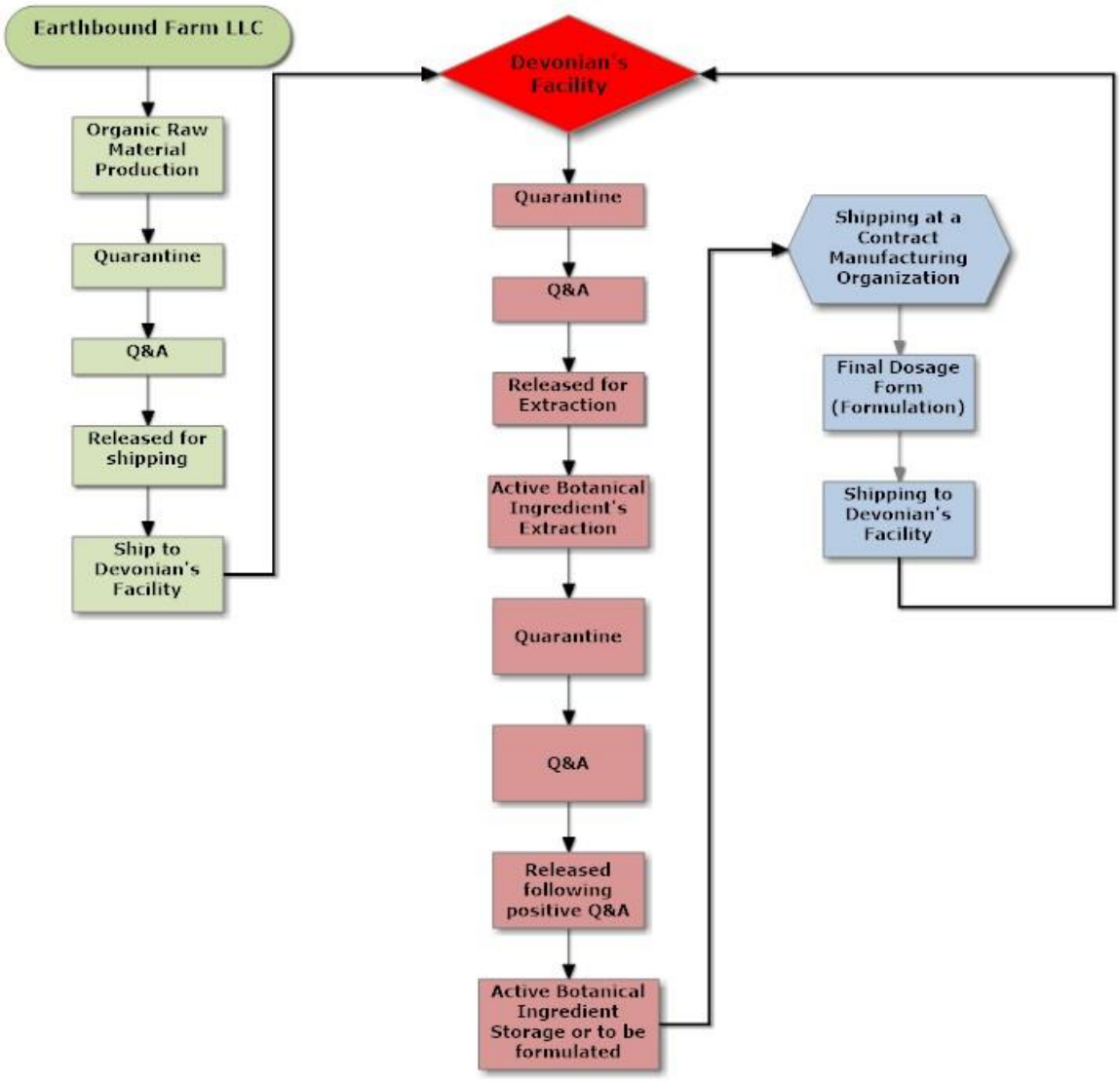
For a completed detailed analysis of the material regulatory approvals that are required for Devonian to achieve its stated business objectives, please see Section titled "Information Concerning Devonian – Description of Business - Operations - Regulatory Framework".

Operations

Actual or Proposed Method of Production

All materials used in Devonian's pharmaceutical program must be manufactured in accordance with FDA's current Good Manufacturing Practice (cGMP) guidelines and the 1,625-square-metre facility Devonian owns will be used for the productions of Thykamine[tm]. The Thykamine[tm] produced at this facility will then be transferred to pharmaceutical subcontractors for the manufacturing of the finished dosage forms of the drug.

Figure 12: Proposed Method of Production of Products.



Existing Property, Land and Equipment

Devonian owns a 1,625-square-metre facility, located in Montmagny, Québec. Devonian plans to seek the FDA cGMP qualification, in due time, for its facility. Devonian's facility should be ready, in the case of the Maximum Offering, for FDA cGMP qualification by Q2-2018.

Specialized Skill and Knowledge Requirements

Devonian's management consists of professionals experienced in business development, finance and science. As of December 31, 2016, Devonian employed 5 persons in Canada.

Devonian's employees are not covered by any collective bargaining agreement or represented by a trade union. Devonian places special emphasis on training for its personnel.

Raw Material

Devonian uses organic spinach crops as its primary raw material to produce Thykamine[tm]. Devonian entered into a Supply Agreement effective as of November 15, 2015 (the "Supply Agreement") and a Quality Agreement as of September 20, 2015, with Earthbound Farm, LLC, a Delaware limited liability company which produces organic baby spinach to be used by Devonian (the "Quality Agreement"). The Supply Agreement expired on November 15, 2016 and the renewal in accordance with its terms is in the final approval process by Earthbound Farms, LLC. See "Risk Factors".

Coverage and Reimbursement

Sales of pharmaceutical and medical device products depend in significant part on the availability of coverage and adequate reimbursement for our products and/or procedures in which they are used by third-party payors, such as state and federal governmental authorities. Patients who are prescribed treatments for their conditions and providers performing the prescribed services generally rely on third-party payors to reimburse all or part of the associated healthcare costs. Patients and providers are unlikely to use Devonian's products unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost of Devonian's products and/or procedures in which the products are used.

Market

For the 2013-2020 period, the global pharmaceutical drug market is expected to have a Compounded Annual Growth Rate (CAGR) of 5.1%[49].

Within the pharmaceutical market, the emerging botanical drug field is expected to have a CAGR of 117.9% for the 2015-2020 period. For the same period the dermatological diseases and gastrointestinal disease market are expected to have a CAGR of 61.2% and 46.1% respectively[50].

Devonian is developing Thykamine[tm] for the following therapeutic indications:

- treatment of active mild-to-moderate distal ulcerative colitis;

- treatment of mild-to-moderate atopic dermatitis.

These two therapeutic indications were chosen on the basis of a cost/risk analysis and the following considerations:

- our preclinical *in vitro* pharmacology studies had demonstrated the regulation of the inflammation pathways (Th1/Th2) by Thykamine[tm]; and also its potent and long-acting antioxidative activity[51];

- our *in vivo* pharmacology animal studies had demonstrated the strong anti-inflammatory and immunomodulatory effects of Thykamine[tm][52];

- both ulcerative colitis treatment with a rectal enema and atopic dermatitis treatment with a cream are topical forms of administration- meaning the sites of drug application and drug action are the same, therefore, decreasing the risk of failure;

- clinical trials for both indications are of relatively short duration;

- for both indications, the costs of clinical trials are relatively low compared with those for other indications.

[49] World preview 2014, outlook to 2020, EvaluatePharma, 2014.
[50] Botanical and Plant-Derived Drugs: Global Markets, Chapters 2 and 4, BCC Research, BIO 022, August 2015.
[51] A 2-Week Exploratory, Randomized, Double-Blind, Parallel-Group, Dose-Ranging, Placebo- Controlled Safety, Tolerability, Biomarker and Efficacy Clinical Study of PUR 0110 Rectal Enema in Mild-to-Moderate Distal Ulcerative Colitis. Supplementary Clinical Study Report for Additional Statistical Analysis Plan Pre-specified and Post Hoc Analyses. Devonian Health Group Inc.; December 9, 2015.
[52] Ibid.

Moreover, both of these conditions are chronic and incurable. Mild-to-moderate ulcerative colitis requires continuous medication. Patients with mild-to-moderate atopic dermatitis and other skin inflammations may enjoy symptom-free periods, but the disease is chronic, recurring, and associated with severe disability.

Because of the chronic, recurring nature of both conditions, these two therapeutic markets are quite sizable in management's opinion.

All of the markets that Devonian is targeting still have unmet medical needs to be addressed. This should facilitate market acceptance and penetration of products that have proven efficacy and a good safety profile—as management believes Devonian's products will have, based on our preliminary results.

Ulcerative Colitis Market

IBD, which includes Crohn's disease as well as ulcerative colitis affects 1.6 million people currently in the United States[53], with as many as 70,000 new cases diagnosed each year. These two disorders have distinct pathological and clinical characteristics, but their pathogenesis remains poorly understood.

Research studies continue to show an increase in the incidence and prevalence of IBD with time in North America and different regions of the world. According to the United States Centers for Disease Control and Prevention, the prevalence of ulcerative colitis ranges from 37 to 246 cases per 100,000 persons (238 per 100,000 adults), while its incidence rate ranges from 2.2 to 14.3 cases per 100,000 person-years[54]. This disease affects both genders.

The worldwide ulcerative colitis market was valued at $2.1 billion in 2012 and is expected to nearly double over the next decade. By 2022, the total market for ulcerative colitis medications in the United States, France, Germany, Italy, Spain, the United Kingdom and Japan will reach $3.6 billion[55].

Atopic Dermatitis Market

The atopic dermatitis market, as measured by patient population, is one of the largest segments of the dermatological-disease industry. Current treatments for atopic dermatitis rely primarily on the use of topical agents such as glucocorticoids.

Atopic dermatitis is a chronic, relapsing inflammatory skin disease characterized by itchy skin lesions and rashes. Although this condition affects people of all ages, it is most common among infants and children. In general, the prevalence of atopic dermatitis is increasing worldwide and is higher in developed nations than in other parts of the world.

An increased risk of atopic dermatitis has been associated with:

- small family size;
- higher socioeconomic and educational status;
- movement from rural to urban environments; and
- increased use of antibiotics.

According to a November 2013 research report from Global Data[56], sales of treatments for atopic dermatitis in nine major global markets are forecast to increase from $3.9 billion in 2012 to $5.6 billion in 2022. Over the same period, the total market for such treatments in the United States, France, Germany, Italy, Spain, the United Kingdom, Japan, China, and India will expand at a compound annual growth rate of 3.8%.

[53] Crohn's & Colitis Foundation of America, 2014.
[54] United States Centers for Disease Control and Prevention.
[55] The Ulcerative Colitis Drug Market Will Increase From $2.1 Billion in 2012 to $3.6 Billion in 2022, Decision Recources Group Company, Christopher Comfort.
[56] Global Atopic Dermatitis Market to Grow Slightly by 2022, Fueled by New Product Launches, November 14, 2013, prepared by GlobalData.

Cosmetic and Beauty Products Market

The global anti-aging market was estimated to be worth $US 122.3 billion in 2013 and is projected to grow to $US 191.7 billion by 2019[57].

Cosmeceuticals have in fact become the fastest-growing segment of the cosmetics and personal care industry. Though this market is still at the nascent stage in developing countries such as India and China, there is still a large untapped population with the desire to look young and beautiful.

There are three different categories of skin care products:

- "pharma-quality" dermatologist/physician formula brands;
- prestige products; and
- mass-market products.

Skin care products that target specialized skin care needs other than anti-aging experience succeed if they accurately target consumers' specific skin care concerns. The concept of purity—as manifested in natural brands and products with ingredients whose names are both pronounceable and recognizable— resonates with consumers in the opinion of management.

Female consumers seem to see skin care products as more of a necessity than makeup or fragrance, so that the skin care market has a degree of immunity in tough economic times.

A trend is that the cosmeceutical products with the best potential will be those that are backed by science.

The Benchmarking Company (TBC) was engaged to conduct a 14-day clinical comparison study[58] to test the efficacy of a proposed anti-aging skincare brand in adults over the age of 18. TBC recruited 12 participants for the study. Participants were required to be at least 18 years of age, current users of prestige anti-aging skincare, and accessible to the metropolitan Washington, DC area. The participants tested the products over a 14-day period and then evaluated them for efficacy through day 1, day 7 and post study questionnaires. Final conclusions were drawn based on the responses of the participants regarding the products and their skin at the end of the 14-day period.

At the end of the survey, the overall impression of the products was very positive and 92% of the women would definitely switch to these products at the expense of their current brand. Not only were the users happy with the benefits of the products and the results they were seeing on their skin, they all agreed the system is easy to use and more importantly, effective.

Agree Completely to Somewhat	Day 1	Day 7	Day 14
I would definitely switch to this system	39%	80%	92%
This system is simple and easy to use	100%	100%	100%
I am extremely satisfied with this system	61%	90%	92%

Regulatory Framework

Numerous statutes and regulations govern the manufacture and sale of human therapeutic products in Canada, the United States and other countries, the intended markets for Devonian's products and product candidates. Such legislations and regulations bears upon the approval of manufacturing facilities, testing procedures and controlled research, the generation of pre-clinical and clinical data prior to marketing approval, including adherence to cGCP or cGMP standards during production and storage, as well as regulation of marketing activities, including advertising and labelling. For example, the requirements of the FDA in the manufacture of Devonian's anti-inflammatory candidate (Thykamine^{tm}) include compliance with cGCP or cGMP standards.

[57] Anti-Aging Market Will Reach USD 191.7 Billion Globally by 2019, April 15, 2014, prepared by Transparency Market Research.
[58] Project Code Survey Results Day 14, The Benchmarking Company , March 10, 2010.

Many of the products, product candidates and processes that Devonian is currently developing require significant development, testing and the investment of significant funds prior to their commercialization.

Before obtaining regulatory clearance for the commercial sale of any of Devonian's pharmaceutical product candidates, Devonian must demonstrate through pre-clinical studies and clinical trials that the potential product candidate is safe and efficacious for use in humans for each target indication. The results from pre-clinical studies and early clinical trials may not be predictive of the results that will be obtained in large-scale testing, and there can be no assurance that Devonian's clinical trials will demonstrate sufficient safety for an Investigational New Drug Application (the documentation submitted to the FDA to obtain approval to test an investigational drug in patients) or subsequent phases or steps in human trials even after pre-clinical testing and/or human data is submitted. The failure to adequately demonstrate the safety and efficacy of a product candidate under development could delay or prevent regulatory clearance of the potential product candidate and would have a material adverse effect on the Devonian's success.

U.S Government Regulation and Product Approval

Government authorities in the United States, at the federal, state and local level, and in other countries extensively regulate, among other things, the research, development, testing, manufacture, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, post-approval monitoring and reporting, marketing and export and import of drug products such as Thykamine[tm]. Generally, before a new drug can be marketed, considerable data demonstrating its quality, safety and efficacy must be obtained, organized into a format specific to each regulatory authority, submitted for review and approved by the regulatory authority.

U.S. FDA Drug Development Process[59]

American consumers benefit from having access to the safest and most advanced pharmaceutical system in the world. The main consumer watchdog in this system is FDA's Center for Drug Evaluation and Research ("CDER").

The center's best-known job is to evaluate new drugs before they can be sold. CDER's evaluation not only prevents quackery, but also provides doctors and patients the information they need to use medicines wisely. The center ensures that drugs, both brand-name and generic, work correctly and that their health benefits outweigh their known risks.

Drug companies seeking to sell a drug in the United States must first test it. The company then sends CDER the evidence from these tests to prove the drug is safe and effective for its intended use. A team of CDER physicians, statisticians, chemists, pharmacologists, and other scientists reviews the company's data and proposed labeling. If this independent and unbiased review establishes that a drug's health benefits outweigh its known risks, the drug is approved for sale. The center doesn't actually test drugs itself, although it does conduct limited research in the areas of drug quality, safety, and effectiveness standards.

Before a drug can be tested in people, the drug company or sponsor performs laboratory and animal tests to discover how the drug works and whether it's likely to be safe and work well in humans. Next, a series of tests in people is begun to determine whether the drug is safe when used to treat a disease and whether it provides a real health benefit.

U.S. FDA Review and Approval Processes

The results of product development, pre-clinical studies and clinical trials, along with descriptions of the manufacturing process, analytical tests conducted on the drug, proposed labeling and other relevant information, are submitted to the FDA as part of an NDA for a new drug, requesting approval to market the product. The submission of an NDA is subject to the payment of a substantial user fee, and the sponsor of an approved NDA is also subject to annual product and establishment user fees; a waiver of such fee may be obtained under certain limited circumstances. For example, the agency will waive the application fee for the first human drug application that a small business or its affiliate submits for review.

[59] Food and Drug Administration (FDA). Development and approval process (drugs). Accessed at CDER web site: http://www.fda.gov/Drugs/DevelopmentApprovalProcess.

The FDA reviews all NDAs submitted to ensure that they are sufficiently complete for substantive review before it accepts them for filing. The FDA may request additional information rather than accept an NDA for filing. In this event, the NDA must be re-submitted with the additional information. The re-submitted application also is subject to review before the FDA accepts it for filing. Once the submission is accepted for filing, the FDA begins an in-depth substantive review. The FDA reviews an NDA to determine, among other things, whether a product is safe and effective for its intended use and whether its manufacturing is cGMP-compliant to assure the product's identity, strength, quality and purity. Before approving an NDA, the FDA typically will inspect the facility or facilities where the product is or will be manufactured. The FDA will not approve an application unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. The FDA may refer the NDA to an Advisory Committee for review, evaluation and recommendation as to whether the application should be approved and under what conditions. An Advisory Committee is a panel of experts, including clinicians and other scientific experts, who provide advice and recommendations when requested by the FDA. The FDA is not bound by the recommendation of an Advisory Committee, but it considers such recommendations when making decisions.

The approval process is lengthy and difficult and the FDA may refuse to approve an NDA if the applicable regulatory criteria are not satisfied or may require additional clinical data or other data and information. Even if such data and information are submitted, the FDA may ultimately decide that the NDA does not satisfy the criteria for approval. Data obtained from clinical trials are not always conclusive and the FDA may interpret data differently than we (the sponsor) interpret the same data. The FDA will issue a complete response letter if the agency decides not to approve the NDA in its present form. The complete response letter usually describes all of the specific deficiencies that the FDA identified in the NDA that must be satisfactorily addressed before it can be approved. The deficiencies identified may be minor, for example, requiring labeling changes, or may be major, for example, requiring additional clinical trials. Additionally, the complete response letter may include recommended actions that the applicant might take to place the application in a condition for approval. If a complete response letter is issued, the applicant may either resubmit the NDA, addressing all of the deficiencies identified in the letter, or withdraw the application or request an opportunity for a hearing.

If a product receives regulatory approval, the approval may be significantly limited to specific diseases and dosages or the indications for use may otherwise be limited, which could restrict the commercial value of the product. Furthermore, the FDA may require that certain contraindications, warnings or precautions be included in the product labeling. In addition, the FDA may require post-approval studies, including Phase 4 clinical trials, to further assess a drug's safety and effectiveness after NDA approval and may require testing and surveillance programs to monitor the safety of approved products that have been commercialized.

US FDA Expedited Programs for the Development and Review of Drugs that Treat Serious Conditions

To speed up the development and availability of drugs that treat serious and life-threatening conditions, the FDA has developed 3 distinct and successful approaches: Fast Track, Accelerated Approval and Priority Review. More recently, Section 902 of the FDASIA enacted in 2012 includes a new/additional provision called "breakthrough therapy" designation.

Fast Track Designation

The FDA has a Fast Track program that is intended to facilitate the development, and expedite the process for reviewing new drugs that meet certain criteria. Specifically, new drugs are eligible for Fast Track designation if they are intended to treat a serious or life-threatening disease or condition and nonclinical or clinical data demonstrate the potential to address unmet medical needs. Filling an unmet medical need is defined as providing a therapy where none exists or providing a therapy which may be potentially better than available therapy. Fast Track designation applies to the combination of the product and the specific indication for which it is being studied. The sponsor of a new drug must request the FDA to designate the drug as a Fast Track product concurrently with, or at any time after, submission of an IND, and the FDA must determine if the drug candidate qualifies for fast track designation within 60 days of receipt of the sponsor's request. A drug that receives Fast Track designation is eligible for some or all of the following: (a) more frequent meetings with the FDA to discuss the drug's development plan; (b) more frequent written correspondence from FDA about design of clinical trials, use of biomarkers, etc.; (c) eligibility for Accelerated Approval and Priority Review, if relevant criteria are met; and (d) Rolling Review – which means a drug company can submit completed sections of its NDA or BLA to the FDA for review – rather than wait for the entire application to be completed which is the standard practice. This rolling review is available if the applicant provides, and the FDA approves, a schedule for the submission of each portion of the NDA and the applicant pays applicable user fees. A Fast Track designation may be withdrawn by the FDA if the FDA believes that the designation is no longer supported by data emerging from the clinical trial process.

Accelerated Approval

Under FDA's Accelerated Approval program, the FDA may approve a drug for a serious or life-threatening illness that provides clinically meaningful therapeutic benefit to patients over existing treatments based upon a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality ("IMM") that is reasonably likely to predict an effect on IMM or other clinical benefit (i.e., an intermediate clinical endpoint). In clinical trials, a surrogate endpoint is a marker, such as a measurement of laboratory or clinical signs of a disease or condition that is thought to predict clinical benefit, but is not itself a measure of clinical benefit. Surrogate endpoints can often be measured more easily or more rapidly than clinical endpoints. A drug candidate approved on this basis is subject to rigorous post-marketing compliance requirements, including the completion of post-approval clinical trials sometimes referred to as Phase 4 trials to confirm the effect on the clinical endpoint. Failure to conduct required post-approval studies, or to confirm a clinical benefit during post-marketing clinical trials, will allow the FDA to withdraw approval and hence, the drug from the market or change its labeled indication. All promotional materials for drug candidates approved under accelerated regulations are subject to prior review by the FDA. The sponsor should discuss the possibility of Accelerated Approval with the review division during development including the use of the planned endpoint as a basis for approval and the confirmatory trials.

Priority Review

This program was introduced in 1992, under the Prescription Drug User Act (PDUFA), in which the FDA agreed to specific goals for improving the drug review time and created a two-tiered system of review times: the standard review which has a review clock time of an application of 10 months and a Priority Review designation which has a shorter clock for review of an application of 6 months. The qualifying criteria is an application (original or efficacy supplement) for a drug that treats a serious condition and if approved, would provide a significant improvement in safety or effectiveness or any application or supplement for a drug submitted with a priority review voucher. Other examples of demonstrated significant improvement may include: elimination or substantial reduction of a treatment-limiting drug reaction, documented enhancement of patient compliance that is expected to lead to an improvement in serious outcomes, or evidence of safety and effectiveness in a new subpopulation. A priority review request should be submitted with an original NDA, BLA or efficacy supplement and the FDA will have to respond to the sponsor within 60 calendar days of receipt of the original NDA, BLA or efficacy supplement. In addition, the FDA may assign the designation, if it deems it necessary, at the time of filing of an original NDA, BLA or efficacy supplement.

Breakthrough Therapy Designation

The Food and Drug Administration Safety and Innovation Act, or FDASIA, amended the FD&CA to require the FDA to expedite the development and review of a breakthrough therapy. A drug product can be designated as a breakthrough therapy if it is intended to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that it may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints. A sponsor may request that a drug product be designated as a breakthrough therapy concurrently with, or at any time after, the submission of an IND, ideally not later than the End-of-Phase 2 meeting, and the FDA must determine if the drug candidate qualifies for breakthrough therapy designation within 60 days of receipt of the sponsor's request. If so designated, the drug will benefit from all Fast Track features, plus the FDA shall act to expedite the development and review of the product's marketing application, including by meeting with the sponsor throughout the product's development, providing timely advice to the sponsor to ensure that the development program to gather pre-clinical and clinical data is as efficient as practicable, involving senior managers and experienced review staff in a cross-disciplinary review, assigning a cross-disciplinary project lead for the FDA review team to facilitate an efficient review of the development program and to serve as a scientific liaison between the review team and the sponsor, and taking steps to ensure that the design of the clinical trials is as efficient as practicable. The FDA may withdraw the designation if it feels the drug no longer meets breakthrough therapy qualifying criteria.

Post-Approval Requirements

Following approval of a new product, a pharmaceutical company and the approved product are subject to continuing regulation by the FDA, including, among other things, monitoring and recordkeeping activities, reporting to the applicable regulatory authorities of adverse experiences with the product, providing the regulatory authorities with updated safety and efficacy information, product sampling and distribution requirements, and complying with promotion and advertising requirements, which include, among others, standards for direct-to-consumer advertising, restrictions on promoting drugs for uses or in patient populations that are not described in the drug's approved labeling ("off-label use"), limitations on industry-sponsored scientific and educational activities, and requirements for promotional activities involving the Internet. Although physicians may prescribe legally available drugs for off-label uses, manufacturers and distributors may not market or promote such off-label uses. Modifications or enhancements to the product or its labeling or changes of the site of manufacture are often subject to the approval of the FDA and other regulators, which may or may not be received or may result in a lengthy review process. In some cases, these changes will require the submission of clinical data and the payment of a user fee.

Non-U.S. Drug Regulation

In Canada, biopharmaceutical product candidates are regulated by the Food and Drugs Act and the rules and regulations promulgated thereunder, which are enforced by the Therapeutic Products Directorate of Health Canada. In order to obtain approval for commercializing new drugs in Canada, the sponsor must satisfy many regulatory conditions. The sponsor must first complete preclinical studies in order to file a CTA in Canada. The sponsor will then receive different clearance authorizations to proceed with Phase 1 clinical trials, which can then lead to Phase 2 and Phase 3 clinical trials. Once all three phases of trials are completed, the sponsor must file an application for marketing called a NDS in Canada. If the NDS demonstrates that the product was developed in accordance with the regulatory authorities' rules, regulations and guidelines and demonstrates favorable safety and efficacy and receives a favorable risk/benefit analysis, then the regulatory authorities issue a Notice of Compliance, which allows the sponsor to market the product.

In addition to regulations in the United States and Canada, Devonian is subject to a variety of regulations governing clinical studies and commercial sales and distribution of its products in other jurisdictions around the world. These laws and regulations typically require the licensing of manufacturing and contract research facilities, carefully controlled research and testing of product candidates and governmental review and approval of results prior to marketing therapeutic product candidates. Additionally, they require adherence to GLPs, GCPs and current GMPs guidelines during development and production. The process of new drug approvals by regulators in the United States, Canada and the European Union are generally considered to be among the most rigorous in the world.

Whether or not the FDA or Health Canada approval is obtained for a product, Devonian must obtain approvals from the comparable regulatory authorities of other countries before it can commence clinical studies or marketing of the product in those countries. The approval process varies from country to country and the time may be longer or shorter than that required for the FDA or Health Canada approval. The requirements governing the conduct of clinical studies, product licensing, pricing and reimbursement vary greatly from country to country. In some international markets, additional clinical trials may be required prior to the filing or approval of marketing applications within the country.

Environmental Regulations

As of the date of the Prospectus, Devonian is in compliance with local environmental laws. Devonian has no reason to believe it is in violation of any environmental laws both provincially, and federally.

Marketing Plans and Strategies

Devonian does not plan to market its products in the future. Once Devonian has completed its Phase 2 clinical trials with Thykamine^{tm} for the treatment of active mild-to-moderate distal ulcerative colitis for each target market, Devonian intends to license the product out. In return, it expects to receive an up-front licensing payment, milestone payments, and royalties on net sales from its strategic development and commercialization partners, which will more than likely be a multinational pharmaceutical or biotechnology company.

Devonian is currently looking for distributors in different countries like USA, Canada, Asia and Europe. The distributors that Devonian is looking for are currently involved in the cosmetic field. Devonian plans to collaborate with selected distributors by providing all scientific support material. Devonian plans to sell its product “Free on board”.

Marketing Strategy for Derma-cosmeceutical Products

Over the next few years, Devonian intends to distribute its derma-cosmeceutical products through strategic partners mainly under private labels.

Devonian intends to subcontract, to a Contract Manufacturing Organization (CMO), the manufacturing of all of its Derma-Cosmeceutical products according to its patent-pending formulation.

Competitive Conditions

The biopharmaceuticals’ industry is highly competitive. There are many public and private biopharmaceutical companies, universities, governmental agencies and other research organizations actively engaged in the research and development of products that may be similar to Devonian’s products or address similar markets. It is probable that the number of companies seeking to develop products similar to Devonian’s products will increase. Many of these and other existing or potential competitors have substantially greater financial, technical and human resources than Devonian does and may be better equipped to develop, manufacture and market products. These companies may develop and introduce products and processes competitive with or superior to Devonian’s. In addition, other technologies or products may be developed that have an entirely different approach or means of accomplishing the intended purposes of Devonian’s products, which might render Devonian’s technology and products non-competitive or obsolete. Devonian’s competitors in the United States and elsewhere include large, well-established pharmaceutical companies, specialty pharmaceutical sales and marketing companies and specialized chronic inflammatory diseases’ treatment companies.

Devonian’s competitors may also obtain FDA, or other regulatory approval for their products more rapidly than Devonian may obtain approval for his. Devonian anticipate that it will face intense and increasing competition as new drugs enter the market and advanced technologies become available.

Ulcerative Colitis

Three different classes of drugs are currently used to treat mild-to-moderate IBD:

- 5-aminosalicylic acid derivatives (mesalamine, olsalazine, sulfasalazine, balsalazide);

- corticosteroids (methylprednisolone, prednisolone, beclometasone, hydrocortisone, budesonide);

- immunomodulatory drugs (6-mercapto-purine [6-MP], azathioprine, biologics).

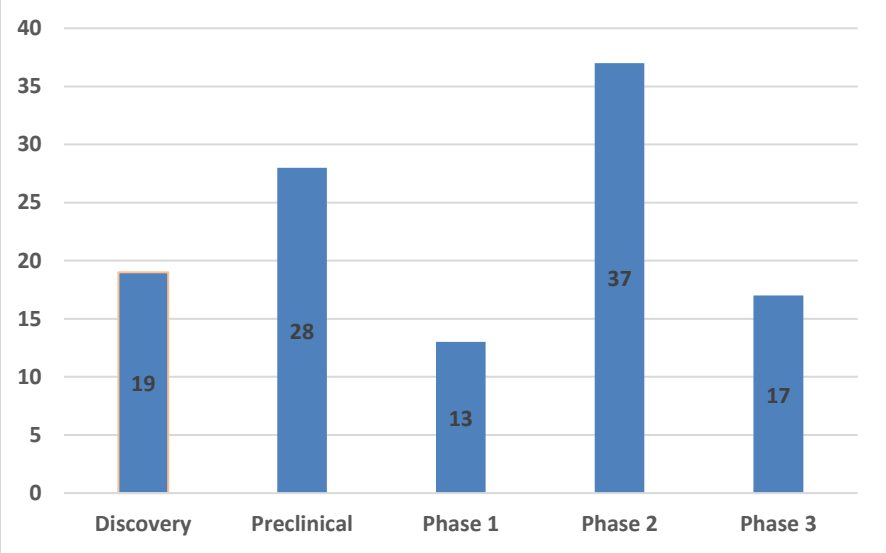
At the end of February 2015, there were 48 different classes of drugs in development for the treatment of ulcerative colitis[60]. Classes of drugs range from monoclonal antibodies, immunosuppressant, different inhibitors, antagonists, and cannabinoids.

The pipeline had 114 molecules in various stages of R&D. Among these, 17 molecules were in phase 3 clinical trials, 37 in Phase 2, 13 in Phase 1, 28 molecules in preclinical research, and 19 molecules in discovery stage.

Compared to all other class of drugs in development, in management's opinion, Thykamine[tm] would offer a non-chemical and potentially less expensive approach to the treatment of ulcerative colitis. At this time, in management's opinion, there are only a few other products with such feature.

Among these, GW Pharma has one product extracted from Cannabis (GWP42003) which is currently in Phase 2 clinical trials. As an extract, GWP42003 would compete with Devonian's flagship product (Thykamine[tm]). Thykamine[tm] would differentiate from GWP42003 as it is extracted from recognised safe raw material source (organic baby spinach). Management also believes that Thykamine[tm]'s reported fast onset of action would be a competitive asset.

Figure 13: Ulcerative Colitis Drug Development Pipeline



Management believes that Thykamine[tm] has the following advantages over these products:

- A better safety profile: because Thykamine[tm] is a natural product; the results of the completed safety pharmacology and toxicology studies and the Phase 1 and Phase 2a clinical trials support this assumption.

- Greater efficacy: because of Thykamine[tm]'s multi-target mode of action, which targets various types of cells involved in inflammation and various inflammatory pathways. The fast onset of action on inflammatory biomarkers in the Phase 2a clinical study (14 days) supports this assumption.

- Choice of formulations: rectal (enema and suppository) and potentially oral.

It must be stressed that there are still unmet medical needs in this therapeutic area, which should facilitate market acceptance and penetration of a complex that has proven efficacy and a good safety profile.

[60] Global Ulcerative Colitis Pipeline, February 2015, prepared by Fore Pharma.

Atopic Dermatitis

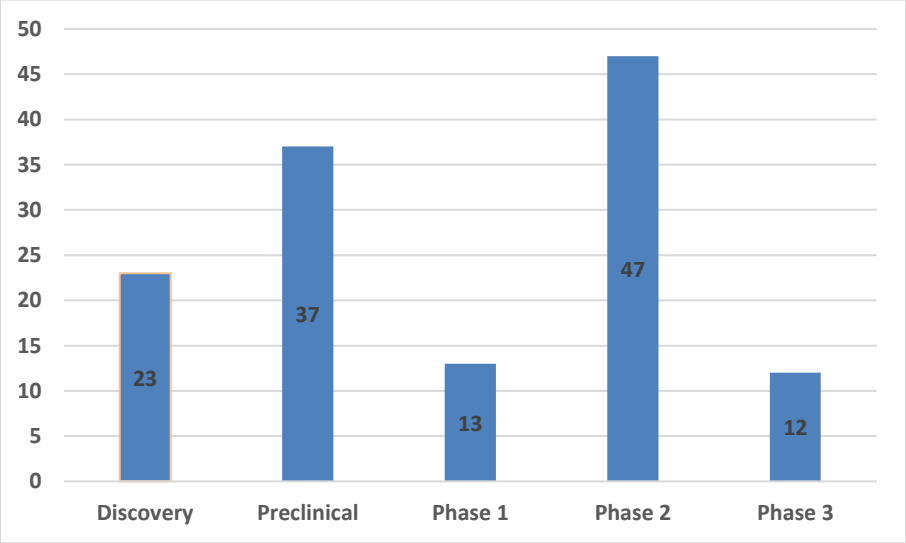
As of the end of February 2015, there were 38 different classes of drugs in development for the treatment of atopic dermatitis[61]. Classes of drugs range from monoclonal antibodies, corticosteroids, different inhibitors, antagonists, photodynamic therapies and vitamin B12.

The pipeline had 132 molecules in various stages of R&D. Among these, 12 molecules were in Phase 3 clinical trials, 47 in Phase 2, 13 in Phase 1, 37 molecules in preclinical research, and 23 molecules in discovery stage.

Current treatment options for atopic dermatitis are limited especially in pediatric. Systemic antihistamines are being prescribed, however, their efficacy against atopic dermatitis are relatively weak with lack of evidence. Since atopic dermatitis most often affects pediatric population, uses of steroids are relatively limited due to various adverse drug events (i.e. skin atrophy, growth dysfunction, etc). Accordingly, there are no safe agents for clinicians and parents to comfortably use in pediatric population for the treatment of atopic dermatitis. Compared to all other class of drugs in development, Thykamine[tm] would offer a non-chemical approach to the treatment of atopic dermatitis. This would be a real advantage to the young patient population where, usually, caregivers try to avoid the use of chemical treatment.

At this time, Devonian's management is not aware of any other botanical drug in development.

Figure 14: Atopic Dermatitis Drug Pipeline



Cosmetics

So many companies manufacture and market cosmetic and beauty products that this market must be considered highly fragmented. In 2011, within the United States, approximately 31% of the market was dominated by five large corporations: Procter & Gamble (16%), Unilever (5%), Colgate-Palmolive (4%), L'Oréal USA Inc. (3.4%), and Revlon (2.5%)[62]. The remaining 69% was distributed across a large number of small companies. According to IBISWorld report[63], out of 859 companies, 591 or 64% employed fewer than 20 workers, which suggests the average size of companies in this sector is relatively small.

[61] Global Atopic Dermatitis Pipeline, February 2015, prepared by Fore Pharma.
[62] Cosmetic & Beauty Products Manufacturing in the US, November 2011, prepared by IbisWorld Inc.
[63] Ibid.

Future Developments

For more information see “Information Concerning Devonian – Description of the Business - Additional Steps Required to Reach Commercial Production” and “Information Concerning the Resulting Issuer - Available Funds and Principal Purposes”.

The drug development process is composed of pre-clinical (animals) and clinical studies in human. Clinical studies are divided into three stages and involve human as described below :

- Phase 1 uses 20-80 healthy volunteers to establish a drug's safety and profile. (duration : about 1 year)
- Phase 2 employs 100-300 patient volunteers to assess the drug's effectiveness. (duration : about 2 years)
- Phase 3 involves 1,000-3,000 patients in clinics and hospitals who are monitored carefully to determine effectiveness and identify adverse reactions. (duration: about 3 years)

The company then submits an application (usually about 100,000 pages) to the FDA for approval, a process that can take up to ten (10) months (FDA web site, 2015). After final approval, the drug becomes available for physicians to prescribe.

Prior reaching the commercial production, Devonian has to complete large Phase 2 studies in atopic dermatitis and ulcerative colitis. Large Phase 3 clinical trials should be completed in 2020 for FDA review. Overall, the budget required in order to file for approval is approximately $50 to 60M. There can be no assurance that these approvals will be obtained as contemplated, or at all.

Proprietary Protection

Devonian’s intellectual property is one of its key assets. Devonian’s management, with the help of its patent agent, has aggressively developed its intellectual property to ensure full protection of its innovations, including patents and trademarks.

Devonian’s extraction and processing methodology is protected through patents and industrial secrecy.

Thykamine^{tm} is protected by patents on its extraction, formulation, use, administration, and cosmetic composition. These patents cover the main countries in Europe, North America and Asia and are supported by trademarks.

Devonian has sought, and plans to continue to seek, patent protection for proprietary technologies. Devonian’s intellectual property portfolio includes 4 family of patents with issued and/or pending claims directed to plants, plant extracts, extraction technology, pharmaceutical formulations, drug delivery and the therapeutic uses of thylakoids, as well as plant variety rights, know-how and trade secrets.

Devonian’s policy is to seek patent protection for the technology, inventions and improvements that Devonian consider important to the development of business, but only in those cases where Devonian believe that the costs of obtaining patent protection is justified by the commercial potential of the technology, and typically only in those jurisdictions that Devonian believe present significant commercial opportunities.

Devonian also relies on trademarks, trade secrets, know-how and continuing innovation to develop and maintain competitive position. Devonian has filed trademark applications for Devonian™; Farm to Pharm™, PurGenesis™, and R-Spinasome™ in Canada, Europe, and the United States.

Botanical Drugs: Key aspects related to Patent protection

As mentioned above, Devonian’s patents cover the extraction/stabilization processes, formulation, use, administration and cosmetic composition.

A generic copy of Thykamine^{tm} is hardly obtainable since thylakoid micelles cannot be chemically synthesized. To do so, each thylakoid protein complexes has to be individually synthesized and incorporated into a galactolipid bilayer membrane. Furthermore, for a pharmaceutical copy of Thykamine^{tm}, a company would have to demonstrate that:

- The HPLC profile of the copy is similar to the one developed by Devonian;

- Pharmacokinetic and possibly pharmacological effects are similar equivalent to Thykamine[tm].

Another new field of the pharmaceutical industry, the biosimilar field (copies of monoclonal antibodies/proteins in other production systems) is currently ongoing regulatory review. In the United States, Biosimilars are a type of biological product that are licensed (approved) by FDA because they are highly similar to an already FDA-approved biological product, known as the biological reference product (reference product), and have been shown to have no clinically meaningful differences from the reference product[64].

It is important to note that in this case, there is usually only one protein or antibody which composes the drug (compared to a botanical drug where several different components are involved). Thykamine[tm] is composed of a proteins complex and some galactolipids raising the difficulty level to make a copy of such product.

According to FDA's guidance on botanical drugs, from 2004: "*In many cases, the active constituent in a botanical drug is not identified, nor is its biological activity well characterized. Therefore, the [Chemistry, Manufacturing and Controls] documentation that should be provided for botanical drugs will often be different from that for synthetic or highly purified drugs, whose active constituents can be more readily chemically identified and quantified. For example, FDA would expect an NDA for a synthetic or highly purified drug to identify the active ingredient. However, it would not be essential for the sponsor of a botanical drug to identify the active constituents (although FDA recommends that this be done if feasible)*".[65]

Botanicals are typically patented by process, meaning that it is not the active ingredient or constituent that is proprietary, but the way those chemical constituents are extracted from the plant, and processed[66]. Management believes that, the current patents, the costs associated with the demonstration of the bioequivalence of a generic version of Thykamine[tm], or any other Devonian's botanical drug, associated with the industrial secrets of Devonian's technology make it almost impossible for a generic company to develop a copy of Thykamine[tm].

Table 2: Status of Devonian's Patents

1 - Title	**EXTRACTION AND PROCESS FOR THYLAKOID MEMBRANES**						
Inventors:	**BOULET, A.P., BOUCHER N.**						
# Robic	**Country**	**No**	**Priority**	**Filing Date**	**Owner**	**Issuance Date / Registration No.**	**Expiration**
17171-53	**USA Provisional**	62/266.770	--	2015-12-14	DEVONIAN HEALTH GROUP	pending	2036*

2 - Title	**COMPOSITION AND FORMULATION IN THE PREVENTION AND/OR TREATMENT OF CARDIOVASCULAR DISEASES**						
Inventors:	**BOULET, A. P, GANA, T.J., BOUCHER N.**						
# Robic	**Country**	**No**	**Priority**	**Filing Date**	**Owner**	**Issuance Date / Registration No.**	**Expiration**
171171-0059	**USA Provisional**	62/417.415	--	2016-11-04	DEVONIAN HEALTH GROUP	pending	2038

[64] Food and Drug Administration (FDA). Development and approval process (drugs). Accessed at CDER web site: http://www.fda.gov/Drugs/DevelopmentApprovalProcess/HowDrugsareDevelopedandApproved/ApprovalApplications/TherapeuticBiologicApplications/Biosimilars/ucm241718.htm

[65] Guidance for Industry Botanical Drug Products, U.S. Department of Health and Human Services Food and Drug Administration Center for Drug Evaluation and Research (CDER) June 2004, online: http://www.fda.gov/downloads/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/ucm070491.pdf.

[66] Expert Briefings: With Botanicals, No Patent, No Expiry, says Sanofi Executive. Accessed at: http://www.expertbriefings.com/news/with-botanicals-no-patent-no-expiry-says-sanofi-exec/.

3 - Title	PROCESS OF OBTAINING THYLAKOIDS FROM PHOTOSYNTHETIC ORGANISMS						
Inventor:	**PURCELL, Marc**						
# Robic	**Country**	**No**	**Priority**	**Filing Date**	**Owner**	**Issuance Date / Registration No.**	**Expiration**
017171-0016	**CANADA**	2,393,816 PCT/CA00/01541	2,293,852 30-12-1999	2000-12-29	DEVONIAN HEALTH GROUP	2,393,816 24-12-2013	29-12-2020
017171-0003	**USA**	10/169,931 PCT/CA00/01541	2,293,852 30-12-1999	2000-12-29	DEVONIAN HEALTH GROUP	7,270,839 18-09-2007	15-06-2022
017171-0017	**USA**	11/734,449 PCT/CA00/01541	2,293,852 30-12-1999	2000-12-29	DEVONIAN HEALTH GROUP	8,632,824 21-01-2014	07-05-2025
017171-0018	**JAPAN**	2001-0549673 PCT/CA00/01541	2,293,852 30-12-1999	2000-12-29	DEVONIAN HEALTH GROUP	4689129 25-02-2011	29-12-2020
017171-0019	**EUROPE**	00986929.8 PCT/CA00/01541	2,293,852 30-12-1999	2000-12-29	DEVONIAN HEALTH GROUP	1242104 14-12-2005	29-12-2020
017171-0020	**GERMANY**	000986929.8 PCT/CA00/01541	2,293,852 30-12-1999	2000-12-29	DEVONIAN HEALTH GROUP	1242104 04-12-2005	29-12-2020
017171-0021	**FRANCE**	000986929.8 PCT/CA00/01541	2,293,852 30-12-1999	2000-12-29	DEVONIAN HEALTH GROUP	1242104 04-12-2005	29-12-2020
017171-0022	**UK**	000986929.8 PCT/CA00/01541	2,293,852 30-12-1999	2000-12-29	DEVONIAN HEALTH GROUP	1242104 04-12-2005	29-12-2020

4 - Title	COMPOUND AND FORMULATION FOR THE TREATMENT OF INFLAMMATORY BOWEL DISEASE						
Inventors:	**BOULET, A. P, GANA, T.J., BOUCHER N.**						
# Robic	**Country**	**No**	**Priority**	**Filing Date**	**Owner**	**Issuance Date / Registration No.**	**Expiration**
017171-0052	**USA Provisional**	62/250.023	--	2015-11-03	DEVONIAN HEALTH GROUP	pending	2036*

5 - Title	COMPOSITIONS COMPRISING THYLAKOID EXTRACT USEFUL IN THE MODULATION OF THE INFLAMMATION PROCESS						
Inventors:	**ANDERSEN, Alain, BISSONNETTE, Elyse, DROUIN, Rejean, PURCELL, Marc**						
# Robic	**Country**	**No**	**Priority**	**Filing Date**	**Owner**	**Issuance Date / Registration No.**	**Expiration**
017171-0002	**USA**	10/482,797 PCT/CA02/01009	60/301,832 02-07-2001 2,381,830 15-04-2002	2002-07-02	DEVONIAN HEALTH GROUP	7,329,423 12-02-2008	13-10-2023
017171-0007	**JAPAN**	2003-510053 PCT/CA02/01009	60/301,832 02-07-2001 2,381,830 15-04-2002	2002-07-02	DEVONIAN HEALTH GROUP	4988144 12-05-2012	02-07-2022
017171-0008	**CANADA**	2,450,833 PCT/CA02/01009	60/301,832 02-07-2001 2,381,830 15-04-2002	2002-07-02	DEVONIAN HEALTH GROUP	2,450,833 22-09-2009	02-07-2022
017171-0009	**EUROPE**	02745002.2 PCT/CA02/01009	60/301,832 02-07-2001 2,381,830 15-04-2002	2002-07-02	DEVONIAN HEALTH GROUP	1401463 21-09-2005	02-07-2022

5 - Title	COMPOSITIONS COMPRISING THYLAKOID EXTRACT USEFUL IN THE MODULATION OF THE INFLAMMATION PROCESS						
Inventors:	**ANDERSEN, Alain, BISSONNETTE, Elyse, DROUIN, Rejean, PURCELL, Marc**						
# Robic	**Country**	**No**	**Priority**	**Filing Date**	**Owner**	**Issuance Date / Registration No.**	**Expiration**
017171-0010	**GERMANY**	20020745002.2 PCT/CA02/01009	60/301,832 02-07-2001 2,381,830 15-04-2002	2002-07-02	DEVONIAN HEALTH GROUP	1401463 21-09-2005	02-07-2022
017171-0011	**FRANCE**	020745002.2 PCT/CA02/01009	60/301,832 02-07-2001 2,381,830 15-04-2002	2002-07-02	DEVONIAN HEALTH GROUP	1401463 21-09-2005	02-07-2022
017171-0012	**UK**	020745002.2 PCT/CA02/01009	60/301,832 02-07-2001 2,381,830 15-04-2002	2002-07-02	DEVONIAN HEALTH GROUP	1401463 21-09-2005	02-07-2022

6 - Title	ORAL COMPOSITIONS AND ROUTE OF ADMINISTRATION FOR THE DELIVERY OF A THYLAKOID EXTRACT						
Inventors:	**PURCELL, Marc, DROUIN, Réjean**						
# Robic	**Country**	**No**	**Priority**	**Filing Date**	**Owner**	**Issuance Date / Registration No.**	**Expiration**
017171-0023	**USA**	14/489,731 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP		(22-09-2024)
017171-0024	**CANADA**	2.535.208 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	2,535,208 26-11-2013	22-09-2024
017171-0025	**JAPAN**	2006-0526498 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	4782681 15-07-2011	22-09-2024
017171-0004	**EUROPE**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0026	**AUSTRIA**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0027	**BELGIUM**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0028	**SWITZERLAND**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0029	**GERMANY**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0005	**FRANCE**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0030	**UK**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0031	**IRELAND**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0032	**SPAIN**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0033	**LUXEMBOURG**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0034	**NETHERLANDS**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024

6 - Title	ORAL COMPOSITIONS AND ROUTE OF ADMINISTRATION FOR THE DELIVERY OF A THYLAKOID EXTRACT						
Inventors:	**PURCELL, Marc, DROUIN, Réjean**						
# Robic	**Country**	**No**	**Priority**	**Filing Date**	**Owner**	**Issuance Date / Registration No.**	**Expiration**
017171-0035	**POLAND**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0036	**SWEDEN**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024
017171-0037	**ITALY**	04786644.7 PCT/CA2004/001724	60/503,881 22-09-2003	2004-09-22	DEVONIAN HEALTH GROUP	1663268 08-05-2013	22-09-2024

7 - Title	THE USE OF A PHOTOSYNTHETIC CELL EXTRACT COMPRISING FUNCTIONAL THYLAKOIDS IN COSMETIC COMPOSITIONS						
Inventors:	**BOULET, André P, MAES, Paul**						
# Robic	**Country**	**No**	**Priority**	**Filing Date**	**Owner**	**Issuance Date / Registration No.**	**Expiration (expected)**
017171-0013	**CANADA**	2 699 676	none	2010-04-12	DEVONIAN HEALTH GROUP	Pending Answer to register before 2016-11-04	(12-04-2030)
017171-0006	**EUROPE**	11768299.7 PCT/CA2011/000372	2699676 12-04-2010	2011-04-12	DEVONIAN HEALTH GROUP	Pending Answer registered on 2016-01-20	(12-04-2031)
017171-0014	**JAPAN**	2013-504072 PCT/CA2011/000372	2699676 12-04-2010	2011-04-12	DEVONIAN HEALTH GROUP	Pending	(12-04-2031)
017171-0015	**USA**	13/261,472 PCT/CA2011/000372	2699676 12-04-2010	2011-04-12	DEVONIAN HEALTH GROUP	Pending	(12-04-2031)
017171-0055	**JAPAN-Div**	2016-15343	DIV de 2699676 12-04-2010	(2016-01-29) 2011-04-21	DEVONIAN HEALTH GROUP	Pending	(12-04-2031)

*This is the expected expiration date provided that the US provisional applications are regularized into Patent Cooperation Treaty (PCT) applications before the expiry of the 12-month Paris Convention deadline.

Trademark protection is another important element of Devonian's intellectual-property strategy. Devonian has filed trademark applications for Farm to Pharm™, PurGenesis™, and R-Spinasome™ in Canada, Europe, and the United States.

In addition to the above patents and trademarks, Devonian has significant know how/industrial secrets that are accessible to very limited number of employees and for which hard copy is being kept at the patent agent's premises. All Devonian's employees contracts include confidentiality and non-compete clauses.

Furthermore, non-disclosure agreements are always signed in communications with people or other organisations/universities. In the case where one of Devonian's products is being evaluated, a material transfer agreement is signed and includes scope, use and confidentiality clauses.

Botanical Drug Field

Over the past six decades, the pharmaceutical industry has suffered from an unrelenting decline in its R&D productivity[67]. When considering that the cost to bring a new drug to the market has now reached 2.6 billion[68] and that, by 2020, $259 billion of sales are at risk from patent expiration[69], the pharmaceutical industry have aggressively embraced R&D collaboration[70].

[67] Root Causes of the Pharmaceutical R&D Productivity Crisis; ScitechStrategy, May 31st, 2015, accessed online: http://scitechstrategy.com/2015/03/root-causes-of-the-pharmaceutical-rd-productivity-crisis/.

Management believes that Devonian is therefore well positioned to be part of the solution to the decline in R&D productivity being faced by the pharmaceutical industry.

Atopic Dermatitis

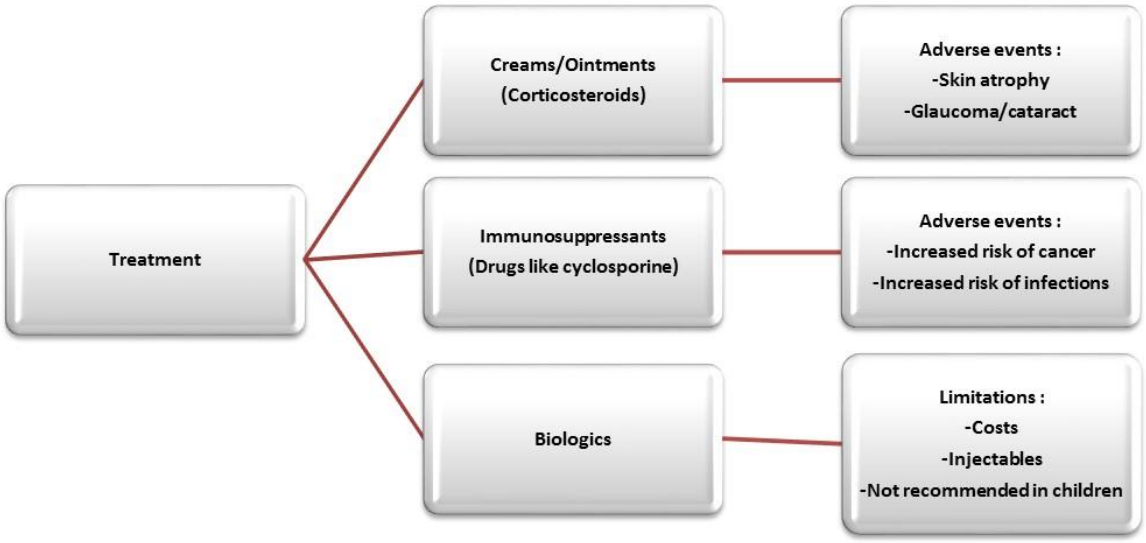
Atopic dermatitis is also known as eczema[71]. It is a chronic inflammation of the skin.

In March 2015, a meeting from the FDA committee highlighted that many children/patients were inadequately responsive to topical therapy[72]. During the same meeting, it was reported that the prevalence of the disease in children is 15-30% while in adult it is 2-10%. Furthermore, it was also noted that several co-occurring disorders affect kids and that 25% of patients are affected by asthma, 34% by rhinitis, and 15% by food allergy. The disease make kids more prone to bacterial infection and impairs their quality of life. It was highlighted that new therapeutics were needed with better efficacy/tolerability, safer maintenance and fewer side effects.

Atopic Dermatitis – Current Treatment

The following figure presents management's understanding on the current approaches to treat atopic dermatitis with some potential side effects/limitations on their use. Treatment can be classified in 3 categories: corticosteroids cream/ointment, immunosuppressant and biologics in injectable formulation.

Figure 15: Management's Understanding of Current Atopic Dermatitis Therapeutics[73]



Ulcerative Colitis

Ulcerative colitis is a chronic inflammation of the colon/rectum and is slightly more common in males. It has a prevalence of 37 to 246 cases per 100,000 persons[74]. The disease has relapsing & remitting episodes (''come and go'') of diarrhea, bloody stools, pain, fever, and cramps[75].

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[68] Why Are Prescription Drugs So Expensive? Big Pharma Points To The Cost Of Research And Development, Critics Say That's No Excuse. IbTimes; 05/19/15, accessed online: http://www.ibtimes.com/why-are-prescription-drugs-so-expensive-big-pharma-points-cost-research-development-1928263.
[69] World preview 2014, outlook to 2020; EvaluatePharma, 2014, p. 3.
[70] Root Causes of the Pharmaceutical R&D Productivity Crisis; ScitechStrategy, May 31st, 2015, accessed online: http://scitechstrategy.com/2015/03/root-causes-of-the-pharmaceutical-rd-productivity-crisis/.
[71] Mayo Clinic, accessed online: http://www.mayoclinic.org/diseases-conditions/eczema/basics/definition/con-20032073.
[72] Dermatologic and Ophthalmic Drugs Advisory Committee Meeting, March 9, 2015; U.S. Food and Drug Administration.
[73] Management's understanding of the information derived from: Dermatologic and Ophthalmic Drugs Advisory Committee Meeting, March 9, 2015; U.S. Food and Drug Administration; Atopic Dermatitis: Global Epidemiology and Risk Factors. Ann. Nutr. Metab. 2015, 66 (suppl. 1), 8-16; and Biological Treatment in Atopic Dermatitis. J. Clin.Med. 2015,4, 593-613, accessed online: www.mdpi.com/2077-0383/4/4/593/pdf.

Ulcerative Colitis- Current Treatment

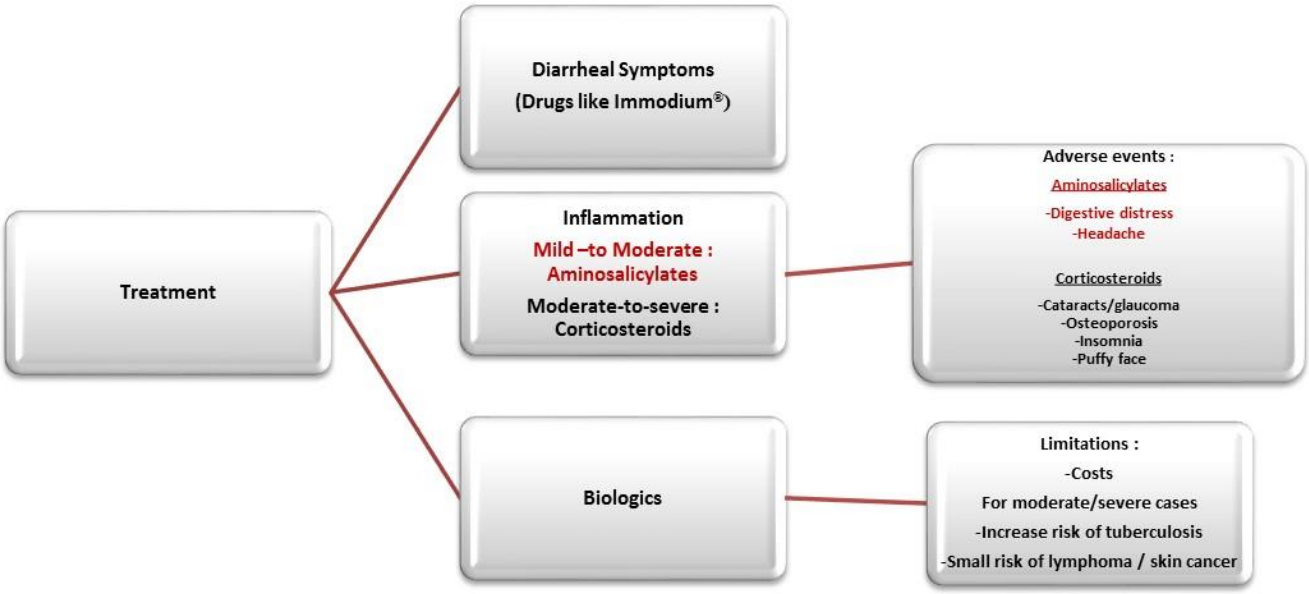
Ulcerative colitis treatment usually involves either drug therapy or surgery. The following figure presents management's understanding on some of the current approaches to treat ulcerative colitis with potential side effects/limitations on their use. Treatments include, among others, anti-inflammatory drugs and immune system suppressors[76]. Immunosuppressant drugs include some tumor necrosis factor (TNF)-alpha inhibitors, or "biologics"[77]. Other treatments include anti- diarrheal medications such as Imodium® and pain reliever such as Tylenol®[78].

Biologics appear to have their limitation as calcineurin and tumor necrosis factor-alpha antagonists may work in refractory cases, but the effects wear off over time and adverse events can be limiting[79] and are even subject to treatment failure[80]. It has been reported that failure with an anti-(TNF)-alpha agent was managed by dose escalation of the same biologic or switching to another anti-(TNF)-alpha agent or corticosteroids[81].

It should be noted that in a relatively recent publication from the IBSEN group, a lower colectomy rate (7.5%) during the first 5 years of follow-up in patients diagnosed between 1990-1993 was reported and the cumulative colectomy rate was 9.8% during the 10-year follow-up in the same cohort[82].

[74] Centers for Disease Control and Prevention, accessed online: http://www.cdc.gov/ibd/ibd-epidemiology.htm.
[75] Centers for Disease Control and Prevention, accessed online: http://www.cdc.gov/ibd/what-is-ibd.htm.
[76] Mayo Clinic, Treatments and drugs, accessed online: http://www.mayoclinic.org/diseases-conditions/ulcerative-colitis/basics/treatment/con-20043763.
[77] *Ibid*.
[78] *Ibid*.
[79] First Multicenter Study of Modified Release Phosphatidylcholine "LT-02" in Ulcerative Colitis: A Randomized, Placebo-Controlled Trial in Mesalazine-Refractory Courses, Am J Gastroenterol 2014; 109:1041–1051; doi:10.1038/ajg.2014.104; published online 6 May 2014.
[80] Characterizing unmet medical need and the potential role of new biologic treatment options in patients with ulcerative colitis and Crohn's disease: a systemic review and clinical surveys. Eur. J. Gastroenterol Hepatol. 2015 July; 27(7):80.
[81] *Ibid*.
[82] Does hospitalization predict the disease course in ulcerative colitis? Prevalence and predictors of hospitalization and rehospitalization in ulcerative colitis in a population-based inception cohort (2000-2012), Journal of gastrointestinal and liver diseases: JGLD 24(3):288, August 2015.

Figure 16: Management's Understanding of Current Ulcerative Colitis Therapeutics[83]



Thykamine[tm]: Competitive Advantage

In management's opinion, the majority of therapies used to treat ulcerative colitis are drugs that have been discovered more than 20 years ago, some of which have been reformulated to more convenient dosage forms. Conventional therapies, such as aminosalicylates (5-ASA), corticosteroids, general immunosuppressants or antibiotics, are used to treat the symptoms of active disease[84].

The 5-ASA agents include, among others, Asacol®, Pentasa®, Rowasa® and Lialda®[85]. For example, Lialda® is a once-a-day formulation which is administered at 2.4 to 4.8 grams per day for up to eight weeks[86].

Among the corticosteroid class, Uceris® is a new once-a-day formulation of the old drug Budesonide[87] which has to be administered for up to 8 weeks[88].

[83] Management's understanding of the information derived from: Characterizing unmet medical need and the potential role of new biologic treatment options in patients with ulcerative colitis and Crohn's disease: a systemic review and clinical surveys. Eur. J. Gastroenterol Hepatol. 2015 July ;27(7):80; Mayo Clinic, Treatments and drugs, accessed online: http://www.mayoclinic.org/diseases-conditions/ulcerative-colitis/basics/treatment/con-20043763; Cleveland Clinic Center for Continuing Education, Ulcerative Colitis, accessed online: http://www.clevelandclinicmeded.com/medicalpubs/diseasemanagement/gastroenterology/ulcerative-colitis/; and Ulcerative Colitis Agents Review, Providers Synergies, LLC.; 2010, accessed online: https://www.oregon.gov/oha/pharmacy/therapeutics/docs/ps-2010-04-ulcerative-colitis.pdf.

[84] Characterizing unmet medical need and the potential role of new biologic treatment options in patients with ulcerative colitis and Crohn's disease: a systemic review and clinical surveys. Eur. J. Gastroenterol Hepatol. 2015 July; 27(7):80.

[85] Cleveland Clinic Center for Continuing Education, Ulcerative Colitis, accessed online: http://www.clevelandclinicmeded.com/medicalpubs/diseasemanagement/gastroenterology/ulcerative-colitis/.

[86] Ulcerative Colitis Agents Review, Providers Synergies, LLC.; 2010, accessed online: https://www.oregon.gov/oha/pharmacy/therapeutics/docs/ps-2010-04-ulcerative-colitis.pdf

[87] Budesonide Multi-matrix for the Treatment of Patients with Ulcerative Colitis. Dig.Dis. Sci. (2016) 61:358-370.

[88] Uceris, Highlight of prescribing information, accessed online: http://shared.salix.com/shared/pi/uceris-pi.pdf.

Management believes that Thykamine[tm] presents some advantages compared to these former drugs. It is a non-chemical therapy with an expected treatment duration of 4 weeks at doses of 250 to 750 mg per day (once-a-day). With the expected fast onset of action and fewer side effects, management believes that it has the potential to be a 1st line therapy in ulcerative colitis. Management also believes that it could be effective for multiple inflammatory diseases such as asthma, diabetes and cardiovascular diseases. Finally, management believes that another key aspect to Thykamine[tm] resides in the difficulty to copy such products[89].

Management's Strategic Plan to Maximise Value

Management's strategic plan for Devonian is to:

- Maximize the value of Devonian by developing Thykamine[tm] (and other candidates) to end of Phase II clinical status;
- Value is achieved in 2017/18 through the market entrance of Devonian's derma-cosmeceutical products and build a pipeline ;
- Value is achieved in 2017/18 through the completion of Thykamine[tm]'s Phase II clinical trial in atopic dermatitis;
- Value is achieved in 2017/18 through a strategic alliance of Thykamine[tm] to a pharmaceutical company for the dermatology applications;
- Use proprietary technology to initiate collaboration with other companies for new product discovery.

TECHNICAL TEAM MEMBERS

The following table provides certain information concerning technical team members: name, position held with Devonian and related experience.

Name and position	Related experience
Theophilus J. Gana, MD, PhD Vice-president Clinical Research and Development	▪ Many years of experience in pharmaceutical drug development within Isoclinika, Inc. (subsidiary of Isotechnika Group) and Biovail Corporation.
Guy Chamberland, PhD Vice-president Regulatory Affairs	▪ Many years of experience in clinical & regulatory affairs as VP Research & Development at Curaphyte Technologies Inc.; vice-president Clinical and Regulatory Affairs at Victhom Human Bionics Inc.; vice-president Product Development & Regulatory Affairs at Angiogene Inc.; Director Regulatory Affairs at AEterna Laboratories Inc.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following is selected financial information with respect to the audited financial statements of Devonian for the fiscal year ended July 31, 2016 and for the interim unaudited financial statements for the three-month period ended October 31, 2016. The following selected information has been derived from the financial statements of Devonian for such periods which are attached hereto as Schedules "H" and "F".

[89] See Section: "Description of the Business - Information Concerning Devonian - Botanical Drugs: Key aspects related to Patent protection".

	Three-month period October 31, 2016 ($) (unaudited)	Fiscal year ended July 31, 2016 ($) (audited)
Revenues	-	-
Research and development expenses	80,491	536,991
Administrative expenses	250,596	1,162,713
Financial expenses	157,621	588,873
Loss from operations	(488,708)	(2,288,577)
Other item	-	45,531
Income (loss) before income taxes	(488,708)	(2,243,046)
Deferred income taxes	87,322	420,000
Net income (loss)	(401,386)	(1,823,046)

	As at October 31, 2016 ($) (unaudited)	As at July 31, 2016 ($) (audited)
Cash and term deposits	427,285	498,496
Cash held in trust	-	29,900
Accounts receivable	11,676	14,304
Subscription receivable	135	135
Amount receivable, without interest	23,591	23,591
Inventories	34,161	37,402
Prepaid expenses	19,650	10,878
Total current assets	516,498	614,706
Deferred share issuance costs	302,610	174,185
Security deposit	14,400	14,400
Fixed assets	4,313,484	4,383,229
Intangible assets	4,888,000	4,888,000
Total assets	10,034,992	10,074,520
Accounts payable and accrued liabilities	501,553	392,965
Current portion of long term debt	4,230,379	4,390,726
Total current liabilities	4,731,932	4,783,691

	As at October 31, 2016 ($) (unaudited)	As at July 31, 2016 ($) (audited)
Long-term debt	-	-
Debentures issued	1,190,000	1,076,259
Debenture to be issued	-	15,000
Deferred income taxes	979	72,156
Total liabilities	5,922,911	5,947,106
Share capital	3,132,808	3,132,808
Share capital subscribed	317,233	-
Warrants issued	612,437	612,437
Equity component of convertible debentures	435,463	366,643
Contributed surplus	196,786	196,786
Deficit	(582,646)	(181,260)
Shareholders' equity	4,112,081	4,127,414
Total liabilities and shareholders' equity	10,034,992	10,074,520

DIVIDENDS OR DISTRIBUTIONS

No dividends have been paid on any Devonian Shares since the date of inception of Devonian, and it is not contemplated that any dividends will be paid in the immediate or foreseeable future.

If Devonian generates earnings in the foreseeable future, it expects that they will be retained to finance growth, if any, and, when appropriate, retire debt. The directors of Devonian will determine if and when dividends should be declared and paid in the future based on the Devonian's financial position at the relevant time. All of the Devonian Shares are entitled to an equal share in any dividends declared and paid.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Devonian's management's discussion and analysis for the three-month period ended October 31, 2016 and management's discussion and analysis for the fiscal year ended July 31, 2016 are attached to the Prospectus and should be read in conjunction with Devonian's interim unaudited financial statements for the three-month period ended October 31, 2016 and Devonian's audited financial statements for the fiscal year ended July 31, 2016, including the notes thereto. The aforementioned management's discussion and analysis and financial statements are attached hereto as Schedules "G", "I", "F" and "H".

It is estimated that the proceeds raised in connection with the Minimum Offering are expected to fund operations for 15 months and the proceeds raised in connection with the Maximum Offering are expected to fund operations for 18 months. The estimated aggregate operating costs to achieve its stated business objectives are $4,780,981 in the case of the Minimum Offering and $7,826,141 in the case of the Maximum Offering. The aggregate operating cost includes $2,229,000 to achieve the stated business objectives and milestones, general corporate requirements of $1,378,868, debt repayment of $810,347 and interest payments of $362,766 in the case of the Minimum offering and $5,129,000 to achieve the stated business objectives and milestones, general corporate requirements of $1,495,867, debt repayment of $810,347 and interest payments of $390,927 in the case of the Maximum Offering.

TRENDS

Other than as herein disclosed, Devonian is not aware of any trend, commitment, event or uncertainty which is expected to have a material effect on Devonian's business, financial condition or results of operations.

CONSOLIDATED CAPITALIZATION

There has been no material change in the share and loan capital of Devonian since the date of the interim unaudited financial statements for the three-month period ended October 31, 2016 contained in the Prospectus, other than:

- the issuance of 1,457,441 Devonian shares following the exercise of warrants of Devonian on November 14, 2016 for an aggregate exercise price of $437,232.30

- the issuance of 518,896 Devonian shares following the exercise of warrants of Devonian on January 18, 2017 for an aggregate exercise price of $155,668.80

The following table summarizes Devonian's capitalization as at October 31, 2016, and at July 31, 2016. The table should be read in conjunction with Devonian's audited financial statements for the fiscal year ended July 31, 2016 and the interim unaudited financial statements for the three-month period ended October 31, 2016, which are attached hereto as Schedules "H" and "F".

Designation of Security[(1)]	**Authorized**	**Outstanding as at July 31, 2016** (audited)	**Outstanding as at October 31, 2016** (unaudited)	**Outstanding as at January 31, 2017** (unaudited)
Devonian Shares[(2)]	unlimited	$3,132,808 (26,307,754 Devonian Shares)	$3,132,808 (26,307,754 Devonian Shares)	$3,863,657 (28,284,091 Devonian Shares)
Current Portion of Long Term Debt	-	$4,390,726	$4,230,379	$641,388
Long Term Debt	-	-	-	$3,428,644
Devonian Existing Debentures (nominal value)	-	$1,395,400	$1,548,900	$1,548,900

Notes:

(1) As at January 31, 2016, there is 6,700,001 Devonian Series A Existing Warrants entitling its holder to subscribe for one Devonian Share at a price of $0.30 per share, exercisable until April 28, 2017 and 332,777 Devonian Series B Existing Warrants entitling its holder to subscribe for one and one fourth Devonian Share at a price of $0.30 per share, exercisable until April 28, 2017.
(2) As of the date of the Prospectus, Devonian has no outstanding options to purchase securities.
(3) As at October 31, 2016 the deficit was $582,646.

DESCRIPTION OF DEVONIAN SECURITIES

General

Devonian's authorized share capital consists of an unlimited number of Class A (herein referred to as the "Devonian Shares"), B, C, D, E and F shares without par value. As at the date of the Prospectus, Devonian has currently outstanding 28,284,091 Devonian Shares, 6,700,001 Devonian Series A Existing Warrants giving the right to their holders to subscribe for 6,700,001 Devonian Shares, 332,777 Devonian Series B Existing Warrants giving the right to their holders to subscribe for 415,971 Devonian Shares as well as the Devonian Existing Debentures totalling $1,548,900.

Devonian Shares

Each Class A share (herein referred to as the "Devonian Shares") gives its holder the right: (a) to vote for the nomination of directors and on any other matters, on a basis of one vote per shares; (b) to receive any dividends as and when declared by the board of directors of Devonian on the Devonian Shares and Class B shares; and (b) in the event of the voluntary or forced winding-up of Devonian, after any priority distribution of any part of the assets of Devonian to the holders of Class C, D, E and F shares, to receive the remaining property of Devonian, *pari passu* with the holder of Class B shares, in proportion of the Class A shares on all issued and outstanding Class A and B shares.

Devonian Existing Warrants

As at the date of the Prospectus, Devonian has currently outstanding (i) 6,700,001 Devonian Series A Existing Warrants, each entitling its holder to subscribe for one Devonian Share, at a price of $0.30 per Devonian Share, and (ii) 332,777 Devonian Series B Existing Warrants, each entitling its holder to subscribe for one and one fourth (1¼) Devonian Share, at a price of $0.30 per Devonian Share, both series of Devonian Existing Warrants expiring on the same dates in accordance with their terms.

Devonian Existing Debentures

As at the date of the Prospectus, Devonian currently has outstanding convertible unsecured debentures totalling $1,548,900.

The Devonian Existing Debentures issued and outstanding, totalling $1,175,000, bear interest at a rate of 10% per year and will be due five years from the date of their issuance. The principal amount and interest of the Devonian Existing Debentures shall be convertible in Amalco Subordinate Voting Shares and Amalco Devonian Existing Debentures Warrants at the same prices and conditions as the Units to be issued under the Offering. In all cases, the holders of Devonian Existing Debentures shall be entitled to a discount on the Orletto Shares comprising the Units of 15%, 20% or 25% if the listing of the Amalco Subordinate Voting Shares takes place within twelve (12) months from the date of issuance of the Devonian Existing Debentures, between the thirteenth (13th) month and the twenty-fourth (24th) month following the date of issuance of the Devonian Existing Debentures or between the twenty-fifth (25th) month and the thirty-sixth (36th) month following the date of issuance of the Devonian Existing Debentures. The Devonian Existing Debentures will be subject to all other conditions mentioned therein. The exercise price of the Amalco Devonian Existing Debentures Warrants to be issued to holders of Devonian Existing Debentures will be the same as the exercise price of the Warrants comprising the Units to be issued under the Offering.

The remaining Devonian Existing Debentures issued and outstanding, totalling $373,900 bear no interest and will be due five years from the date of their issuance. The principal amount of the Devonian Existing Debentures shall be convertible in Amalco Subordinate Voting Shares and Amalco Devonian Existing Debentures Warrants at the same prices and conditions as the Units to be issued upon the Offering. In all cases, the holders of the Devonian Existing Debentures shall be entitled to a discount on Orletto Shares comprising the Units, of 15%. The Devonian Existing Debentures will be subject to all other conditions mentioned therein. The exercise price of the Amalco Devonian Existing Debentures Warrants to be issued to holders of Devonian Existing Debentures will be the same as the exercise price of the Warrants comprising the Units to be issued under the Offering.

CONVERTIBLE SECURITIES

Options

As of the date of the Prospectus, Devonian has no outstanding options to purchase securities.

Warrants and Convertible Debentures

The following table provides information about warrants and convertible debentures held by certain holder of Devonian that are outstanding as at the date of the Prospectus.

Designation of Holder		Designation and Number of Securities Under Option Prior to the Transaction[(1)]	Purchase Price of Securities Under Option Prior to the Transaction	Designation and Number of Securities Under Option After Giving Effect to the Transaction[(1)]	Purchase Price of Securities Under Option After Giving Effect to the Transaction	Expiry Dates	Market Value per Amalco Subordinate Voting Share[(2)]
All executive officers and past executive officers of Devonian, as a group		-	-	-	-	-	-
All directors and past directors of Devonian who are not also executive officers, as a group		833,333 Devonian Shares	$0.30	1,013,739 Amalco Subordinate Exchangeable Voting Shares 253,435 Amalco Subordinate Voting Shares[(3)]	$0.20	April 28, 2017	$0.75
		-	-	36,667 Amalco Subordinate Voting Shares[(4)(5)]	$0.60	March 30, 2021	$0.75
			-	34,235 Amalco Subordinate Voting Shares[(5)(6)]	$0.6375	May 2, 2021	$0.75
Employees		-	-	-	-	-	-
Consultants		-	-	-	-	-	-
Other persons[(8)]	9087-2706 Québec inc.	-	-	67,683 Amalco Subordinate Voting Shares[(5)]	$0.60	August 24, 2020	$0.75
	Gestion MSRE inc.	-	-	145,034 Amalco Subordinate Voting Shares[(5)]	$0.60	August 24, 2020	$0.75
	M.R. Capital et Investissements Inc.	-	-	1,933,790 Amalco Subordinate Voting Shares[(5)]	$0.60	August 24, 2020	$0.75
	Gestion VLD Inc.	-	-	45,833 Amalco Subordinate Voting Shares[(5)]	$0.60	March 30, 2021	$0.75
	Services Financiers des Chutes inc.	-	-	156,863 Amalco Subordinate Voting Shares[(7)]	$0.6375	June 20, 2021	$0.75
	François Groleau	-	-	78,431 Amalco Subordinate Voting Shares[(7)]	$0.6375	June 20, 2021	$0.75
	Les Immeubles J. Dorval inc.	-	-	32,000 Amalco Subordinate Voting Shares[(7)]	$0.6375	June 20, 2021	$0.75
	Alphonse Bélanger	-	-	78,431 Amalco Subordinate Voting Shares[(7)]	$0.6375	June 20, 2021	$0.75
	Claude Breton	-	-	15,686 Amalco Subordinate Voting Shares[(7)]	$0.6375	Sept. 30, 2021	$0.75
	Dre Geneviève Roy Psychiatre inc.	-	-	5,490 Amalco Subordinate Voting Shares[(7)]	$0.6375	Sept. 30, 2021	$0.75

Designation of Holder		Designation and Number of Securities Under Option Prior to the Transaction[(1)]	Purchase Price of Securities Under Option Prior to the Transaction	Designation and Number of Securities Under Option After Giving Effect to the Transaction[(1)]	Purchase Price of Securities Under Option After Giving Effect to the Transaction	Expiry Dates	Market Value per Amalco Subordinate Voting Share[(2)]
	Placements Pierre R. Hamel inc.	-	-	23,529 Amalco Subordinate Voting Shares[(7)]	$0.6375	Sept. 30, 2021	$0.75
	Joane Moreau	-	-	156,863 Amalco Subordinate Voting Shares[(7)]	$0.6375	Sept. 30, 2021	$0.75
	Benoît Marcotte	-	-	39,216 Amalco Subordinate Voting Shares[(7)]	$0.6375	Sept. 30, 2021	$0.75

Notes:

(1) Assuming that no Units are purchased by these persons under the Offering.
(2) Market value per Amalco Subordinate Voting Share as at the date of the Prospectus.
(3) Mr. Matthew Peppler holds an aggregate of 833,333 Devonian Series A Existing Warrants and 833,333 Devonian Shares. Following the Amalgamation, Mr. Peppler will hold 1,013,739 Amalco Subordinate Exchangeable Voting Shares, 253,435 Amalco Subordinate Voting Shares and 1,267,174 Amalco Warrants.
(4) Mr. Pierre Colas holds a Devonian Existing Debenture totalling $20,000. This Devonian Existing Debenture will be converted in principal and interest (assuming conversion on March 31, 2017), at a discount of 20% of the Offering Price upon completion of the Amalgamation. Upon conversion, Mr. Colas will hold 36,667 Amalco Subordinate Voting Shares and 18,334 Amalco Devonian Existing Debentures Warrants.
(5) The Devonian Existing Debentures held by these persons bear interest at a rate of 10% per year and will be due five years from the date of their issuance. The principal amount and interest of the Devonian Existing Debentures shall be convertible in Amalco Subordinate Voting Shares and Amalco Devonian Existing Debentures Warrants, at the same prices and conditions as the Units to be issued under the Offering. In all cases, the holders of Devonian Existing Debentures shall be entitled to a discount on the Orletto Shares comprising the Units of 15%, 20% or 25% if the listing of the Amalco Subordinate Voting Shares takes place within twelve (12) months from the date of issuance of the Devonian Existing Debentures, between the thirteenth (13th) month and the twenty-fourth (24th) month following the date of issuance of the Devonian Existing Debentures or between the twenty-fifth (25th) month and the thirty-sixth (36th) month following the date of issuance of the Devonian Existing Debentures and will include all other conditions mentioned therein, and the exercise price of the Amalco Devonian Existing Debentures Warrants to be issued to holders of Devonian Existing Debentures will be the same as the exercise price of the Warrants comprising the Units to be issued under the Offering.
(6) Mr. Germain Carrière holds a Devonian Existing Debenture totalling $20,000. This Devonian Existing Debenture will be converted in principal and interest (assuming conversion on March 31, 2017), at a discount of 15% of the Offering Price upon completion of the Amalgamation. Upon conversion, Mr. Carrière will hold 34,235 Amalco Subordinate Voting Shares and 17,118 Amalco Devonian Existing Debentures Warrants.
(7) The Devonian Existing Debentures held by these persons bear no interest and will be due five years from the date of their issuance. The principal amount of the Devonian Existing Debentures shall be convertible in Amalco Subordinate Voting Shares and Amalco Devonian Existing Debentures Warrants at the same prices and conditions as the Units to be issued under the Offering. In all cases, the holders of Devonian Existing Debentures shall be entitled to a discount on the Orletto Shares comprising the Units of 15% and will include all other conditions mentioned therein, and the exercise price of the Amalco Devonian Existing Debentures Warrants to be issued to holders of Devonian Existing Debentures will be the same as the exercise price of the Warrants comprising the Units to be issued under the Offering.
(8) This table does not include the warrants if any, held or to be held by these persons.

PRIOR SALES OF DEVONIAN SECURITIES

Devonian Securities Issuances

Since inception, securities in Devonian have been issued as follows:

Date of Issuance	Number and Class of Securities	Issue Price and Exercise Price per Security	Aggregate Issue Price	Expiration Date	Nature of Consideration
March 27, 2015	13,500,000 Devonian Shares[(1)]	$0.00001	$135	N/A	Cash
April 28, 2015	10,094,740 Devonian Shares[(2) (3)]	$0.30	$3,028,422	N/A	Cash[(3)]
	8,833,333 warrants[(4)]	$0.30	N/A	April 28, 2017	N/A
	1,261,407 warrants[(5)]	$0.30	N/A	April 28, 2017	N/A

Date of Issuance	Number and Class of Securities	Issue Price and Exercise Price per Security	Aggregate Issue Price	Expiration Date	Nature of Consideration
	63 warrants[6]	$0.0001	N/A	June 11, 2015	N/A
	1 warrant[7]	$0.001	N/A	June 11, 2015	N/A
June 11, 2015	1,395,233 Devonian Shares[8]	$0.0001	$139.52	N/A	Cash
August 24, 2015	Devonian Existing Debenture[9]	N/A	$1,000,000	August 24, 2020	Cash
	Devonian Existing Debenture[9]	N/A	$75,000	August 24, 2020	Cash
	Devonian Existing Debenture[9]	N/A	$35,000	August 24, 2020	Cash
March 30, 2016	Devonian Existing Debenture[9]	N/A	$25,000	March 30,2021	Cash
	Devonian Existing Debenture[9]	N/A	$20,000	March 30, 2021	Cash
May 2, 2016	Devonian Existing Debenture[9]	N/A	$20,000	May 2, 2021	Cash
June 20, 2016	Devonian Existing Debenture[10]	N/A	$220,400	June 20, 2021	Cash
	1,083,333 Devonian Shares[11]	$0.30	$325,000	N/A	Cash
July 4, 2016	234,448 Devonian Shares[12]	$0.30	$70,334	N/A	Cash
September 30, 2016	Devonian Existing Debenture[10]	N/A	$153,500	Sept. 30, 2021	Cash
November 14, 2016	1,457,441 Devonian Shares[13]	$0.30	$437,232	N/A	Cash
January 18, 2017	518,896 Devonian Shares[14]	$0.30	$155,669	N/A	Cash

Notes:

(1) These Devonian Shares were issued pursuant to the terms of the conversion of shares provided within the amalgamation agreement dated March 27, 2015.

(2) These Devonian Shares were issued as part of a $3,000,000 financing. Each subscriber was given the right to receive one Devonian Series A Existing Warrants which entitle the holder thereof to subscribe for one Devonian Shares until April 28, 2017 at 5:00 at a price of $0.30 per Devonian Share for each Devonian Share subscribed for except six (6) subscribers who were given the right to receive one Devonian Series B Existing Warrants which entitle the holder thereof to subscribe for one and one fourth (1 and ¼) Devonian Shares until April 28, 2017 at 5:00 at a price of $0.30 per Devonian Share for each Devonian Share subscribed for.

(3) These Devonian Shares were issued in consideration of $3,000,000 and the conversion of interest payable in the amount of $28,422.

(4) These warrants allow the holders thereof to subscribe for one Devonian Shares until April 28, 2017 at 5:00 at a price of $0.30 per Devonian Share.

(5) These warrants allow the holders thereof to subscribe for one fourth (1 and ¼) Devonian Shares until April 28, 2017 at 5:00 at a price of $0.30 per Devonian Share.

(6) These 63 warrants entitled their holders thereof to purchase an aggregate of 1,500,000 Devonian Shares, at a price of $0.0001 per Devonian Share. These warrants were issued pursuant to the terms of a judgment authorizing the sale of the assets of PurGenesis in favour of Devonian. These warrants expired on June 11, 2015. See section "Information Concerning Devonian – General Development of Business – History Since Inception".

(7) This warrant was issued in favour of Agriculture Canada and entitled its holder thereof to purchase 750,000 Devonian Shares, at a price of $0.001 per Devonian Share. This warrant was issued pursuant to the terms of a judgment authorizing the sale of the assets of PurGenesis in favour of Devonian. See section "Information Concerning Devonian – General Development of Business – History Since Inception".

(8) These Devonian Shares were issued following the exercise of 59 out of the 63 warrants described in note 6 above. See section "Information Concerning Devonian – General Development of Business – History Since Inception".

(9) These Devonian Existing Debentures issued bear interest at a rate of 10% per year and will be due five years from the date of their issuance. The principal amount and the interest of the Devonian Existing Debentures shall be convertible in securities of the Resulting Issuer at the same prices and conditions as the Units to be issued upon the Offering. In all cases, the holders of the Devonian Existing Debentures shall be entitled to a discount on Orletto Shares comprising the Units, of 15%, 20% or 25% if the listing of the Amalco Subordinate Voting Shares takes place within twelve (12) months from the date of the debenture, between the thirteenth (13th) months and the twenty-fourth (24th) month following the date of the debenture or between the twenty-fifth (25th) month and the thirty-sixth (36th) month following the date of the debenture and will include all other conditions mentioned therein, and the exercise price of the Amalco Devonian Existing Debentures Warrants will be the same as the exercise price of the Warrants comprising the Units offered under the Offering.

(10) These Devonian Existing Debentures issued bear no interest and will be due five years from the date of their issuance. The principal amount of the Devonian Existing Debentures shall be convertible in securities of the Resulting Issuer at the same prices and conditions as the Units to be issued upon the Offering. In all cases, the holders of the Devonian Existing Debentures shall be entitled to a discount on Orletto Shares comprising the Units, of 15% and will include all other conditions mentioned therein, and the exercise price of the Amalco Devonian Existing Debentures Warrants will be the same as the exercise price of the Warrants comprising the Units offered under the Offering.
(11) These Devonian Shares were issued following the exercise of 1,083,333 warrants, each entitling its holder to subscribe for one Devonian Share, at a price of $0.30 per Devonian Share.
(12) These Devonian Shares were issued following the exercise of 80,893 warrants, each entitling its holder to subscribe for one and one fourth (1¼) Devonian Share, at a price of $0.30 per Devonian Share and 133,333 warrants, each entitling its holder to subscribe for one Devonian Share, at a price of $0.30 per Devonian Share.
(13) These Devonian Shares were issued following the exercise of 685,953 warrants, each entitling its holder to subscribe for one and one fourth (1¼) Devonian Share, at a price of $0.30 per Devonian Share and 600,000 warrants, each entitling its holder to subscribe for one Devonian Share, at a price of $0.30 per Devonian Share.
(14) These Devonian Shares were issued following the exercise of 161,784 warrants, each entitling its holder to subscribe for one and one fourth (1¼) Devonian Share, at a price of $0.30 per Devonian Share and 316,666 warrants, each entitling its holder to subscribe for one Devonian Share, at a price of $0.30 per Devonian Share.

PRINCIPAL SECURITYHOLDERS AND SELLING SECURITYHOLDERS

To the knowledge of the directors and officers of Devonian, as of the date of the Prospectus, other than as disclosed below, no person beneficially owns, controls or directs, directly or indirectly, Devonian Shares carrying more than 10% of the voting rights attached to the Devonian Shares.

Name of Shareholder	Type of Ownership	Number of Devonian Shares	Percentage of Devonian Shares Owned Prior to the Transaction	Number and Percentage of Amalco Shares After Giving Effect to the Amalgamation and the Minimum Offering[(1)(2)] and Percentage of Voting Rights	Number and Percentage of Amalco Shares After Giving Effect to the Amalgamation and the Maximum Offering[(1)(2)] and Percentage of Voting Rights
9099-3452 Québec Inc.[(3)] Blainville, Québec	Record and beneficially	13,129,953	46.42%	19,965,536 Amalco Multiple Voting Shares (35.74%[(4)(5)]) 76.95% of the Voting Rights	19,965,536 Amalco Multiple Voting Shares (32.63%[(4)(5)]) 74.40% of the Voting Rights

Notes:

(1) Assuming no subscription of Units by this person under the Offering. This percentage is calculated on a partially diluted basis prior to any issue of securities issuable upon exercise of the Orletto Existing Options, the Devonian Existing Warrants but after the conversion of the Devonian Existing Debentures in principal and interest (assuming conversion on March 31, 2017), at a discount of 15% or 20% of the Offering Price depending on their issue date and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering.
(2) This percentage is based on the number Amalco Shares held this person divided by the aggregate number of Amalco Shares assuming completion of the Amalgamation.
(3) The principal shareholder of this corporation is Fiducie André Boulet, a trust whose trustee is Mr. André P. Boulet. Mr. André P. Boulet, through ownership of or control or direction over the securities of 9099-3452 Québec Inc. shall be considered a principal securityholder of Devonian. Mr. André P. Boulet also holds directly 649 Devonian Shares.
(4) On a fully diluted basis and with respect to the securities owned by 9099-3452 Québec Inc., these percentages are 26.80% assuming the Amalgamation and the Minimum Offering completed and 23.01% assuming the Amalgamation and the Maximum Offering completed. See "Information Concerning the Resulting Issuer – Pro Forma Consolidated Capitalization – Fully Diluted Share Capital".
(5) Collectively, with the Amalco Multiple Voting Shares owned by Mr. André P. Boulet personally, these percentage are 35.74% assuming the Amalgamation and the Minimum Offering completed and 32.63% assuming the Amalgamation and the Maximum Offering completed (respectively 26.80% and 23.01% on a fully diluted basis). See "Information Concerning the Resulting Issuer – Pro Forma Consolidated Capitalization – Fully Diluted Share Capital".

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holding

The following table sets out the name, municipality of residence, province and country of the directors, Promoter and executive officers of Devonian, their positions and offices with Devonian, their principal occupations during the five preceding years, the number of Devonian Shares beneficially owned or over which they directly or indirectly exercise control or direction, and the percentage of Devonian Shares or Amalco Shares to be held by each of them prior to the Transaction and on completion of the Amalgamation and the Offering.

Name, Municipality of Residence, Province and Country	Position and Office Held with Devonian[(1)]	Principal Occupation During the Five Preceding Years	Number and Percentage of Devonian Shares Prior to the Transaction	Percentage[(2)] and Number of Amalco Shares after Giving Effect to the Amalgamation and the Minimum Offering[(3)]	Percentage[(2)] and Number of Amalco Shares After Giving Effect to the Amalgamation and the Maximum Offering[(3)]	Directors or Executive Officers Since
André P. Boulet Blainville, Québec Canada	President, Chief Executive Officer, Secretary, Promoter and director	President, Chief Executive Officer, Secretary, Promoter and director of Devonian since March 2015. Self-employed consultant from July 2013 to February 2015. President and Chief Executive Officer from November 2006 to December 2008 and Chief Operating Officer from January 2009 to June 2013 of PurGenesis (previously Purecell Technologies Inc.).	13,130,602[(4)] Devonian Shares (46.42%)	19,966,523[(5)] Amalco Multiple Voting Shares (35.74%)	19,966,523[(5)] Amalco Multiple Voting Shares (32.63%)	Director, executive officer and Promoter of Devonian since March 27, 2015
François Michaud Town of Mount Royal, Québec Canada	Chief Financial Officer	Chief Financial Officer of Devonian since August 2015. Chief Financial Officer of Devcore Group Inc. from January 2015 to July 2015. Self-employed consultant from March 2009 to December 2014.	Nil	Nil	Nil	Executive officer of Devonian since August 10, 2015
Matthew Peppler Boca Raton, Florida, United States	Director	President and Chief Executive Officer of Popgun Trading Company, Inc., a private equity firm, since February 2004.	833,333 Devonian Shares 2.95%	1,013,739 Amalco Subordinate Exchangeable Voting Shares 253,435 Amalco Subordinate Voting Shares (2.27%)	1,013,739 Amalco Subordinate Exchangeable Voting Shares 253,435 Amalco Subordinate Voting Shares (2.07%)	Director of Devonian since September 1, 2015
Jean Bourgouin Montréal, Québec, Canada	Director	On-staff Physician at the Hotel-Dieu du CHUM since September 2009.	Nil	Nil	Nil	Director of Devonian since September 1, 2015
Pierre Colas Outremont, Québec, Canada	Director	Currently retired. Vice-President & Managing Director, Investment Banking at Industrial Alliance Securities Inc.	Nil	14,564 Amalco Subordinate Exchangeable Voting Shares 40,308 Amalco	14,564 Amalco Subordinate Exchangeable Voting Shares 40,308 Amalco	Director of Devonian since September 1, 2015

Name, Municipality of Residence, Province and Country	Position and Office Held with Devonian[(1)]	Principal Occupation During the Five Preceding Years	Number and Percentage of Devonian Shares Prior to the Transaction	Percentage[(2)] and Number of Amalco Shares after Giving Effect to the Amalgamation and the Minimum Offering[(3)]	Percentage[(2)] and Number of Amalco Shares After Giving Effect to the Amalgamation and the Maximum Offering[(3)]	Directors or Executive Officers Since
		from March 2009 to February 2014.		Subordinate Voting Shares[(6)] (0.10%)	Subordinate Voting Shares [(6)] (0.09%)	
Germain Carrière Town of Mount Royal**,** Canada	Director	Retired since 2009	Nil	34,235 Amalco Subordinate Voting Shares[(7)] (0.06%)	34,235 Amalco Subordinate Voting Shares[(7)] (0.06%)	Director of Devonian since September 1, 2015
Nathalie Boucher Trois-Rivière, Québec, Canada	Executive Officer	Director, Research and Intellectual Property of Devonian since May 18, 2015. Lecturer at Université of Québec at Trois-Rivières since September 2011.	Nil	Nil	Nil	Executive Officer since May 18, 2015.

Notes:

(1) Devonian's by-laws specify that the directors are elected annually by the shareholders and remain in office until the next annual meeting or until the election of his successor. A director whose term ends is eligible for re-election.
(2) These percentages are based on the aggregate number of Amalco Subordinate Exchangeable Voting Shares and Amalco Subordinate Voting Shares held by these persons divided by the aggregate number of Amalco Shares following completion of the Amalgamation.
(3) Assuming no subscription of Units by these persons under the Offering. This percentage is calculated on a partially diluted basis prior to any issue of securities issuable upon exercise of the Orletto Existing Options, the Devonian Existing Warrants but after the conversion of the Devonian Existing Debentures in principal and interest (assuming conversion on March 31, 2017), at a discount of 15% or 20% of the Offering Price depending on their issue date and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering.
(4) Mr. André P. Boulet holds 649 Devonian Shares personally and 13,129,953 Devonian Shares are held by 9099-3452 Québec Inc., a corporation whose principal shareholder is Fiducie André Boulet, a trust whose trustee is Mr. André P. Boulet.
(5) Of these Amalco Multiple Voting Shares, 987 will be held by Mr. André P. Boulet directly and 19,965,536 will be held by 9099-3452 Québec Inc., a corporation whose principal shareholder is Fiducie André Boulet, a trust whose trustee is Mr. André P. Boulet. See "Information Concerning the Resulting Issuer – Principal Securityholders".
(6) Assuming the conversion on the Effective Date of the Amalgamation of the Devonian Existing Debenture totalling $20,000 held by Mr. Pierre Colas, in principal and interest due as at March 31, 2017, at a discount of 20% of the Offering Price. Assuming conversion of the 50,000 Orletto Existing Shares held by Mr. Pierre Colas on the Effective Date of the Amalgamation.
(7) Assuming the conversion on the Effective Date of the Amalgamation of the Devonian Existing Debenture totalling $20,000 held by Mr. Germain Carrière, in principal and interest due as at March 31, 2017, at a discount of 15% of the Offering Price.

Collectively, the directors, executive officers and Promoter of Devonian, as a group, control 13,963,935 Devonian Shares, representing approximately 49.37% of the outstanding Devonian Shares prior to the Transaction.

Upon completion of the Transaction, the directors, executive officers and Promoter of Devonian, as a group, will beneficially own, control or direct, directly or indirectly 21,322,804 Amalco Shares, representing 38.17% of the then outstanding Amalco Shares assuming the completion of the Amalgamation and the Minimum Offering (34.85% assuming completion of the Amalgamation and the Maximum Offering) and the conversion of the Devonian Existing Debentures in principal and interest due as at March 31, 2017, at a discount of 15% or 20% of the Offering Price depending on their issue date, but prior to any issue of securities issuable upon exercise of the Orletto Existing Options, the Devonian Existing Warrants, the Over-Allotment Option, the Agent's Option and the Warrants issued in connection with the Offering and assuming that no Units are purchased by such persons under this Offering (28.63% on a fully diluted basis assuming completion of the Amalgamation and the Minimum Offering and 24.58% on a fully diluted basis assuming completion of the Amalgamation and the Maximum Offering).

Devonian does not have any standing committees.

DIRECTORS' AND EXECUTIVE OFFICERS' BIOGRAPHIES

André P. Boulet - President, Chief Executive Officer, Secretary, Promoter and director

Dr. André P. Boulet, age 58, has experience in drug development, regulatory affairs, market access, financing and restructuring in the pharmaceutical and biotech industries. In March 2015, Dr. Boulet became President, Chief Executive Officer, Secretary and Director of Devonian and purchased the assets of PurGenesis, a corporation specialized in the development of botanical drugs as well as derma-cosmetic products. Also, he was a consultant from July 2013 to February 2015.

From November 2006 to June 2013, he was President and Chief Operating Officer and Director of PurGenesis. He was responsible for financing and completing phase 1 and phase 2a ulcerative colitis clinical program for the corporation`s flagship product Thykamine^{tm} and developed a complete line of anti-aging products for women. He established a strategic partnership with a large US-based organic farm to supply the raw material used for the extraction of PurGenesis' flagship product. A pharmaceutical extraction facility was also built under his leadership.

Prior to joining PurGenesis, Dr. Boulet was partner and Vice President Scientific affairs of SIPAR Inc. a private equity team and a partner in BioCapital Investment Limited Partnership ("BioCapital") (1996-2002), a Canadian biotechnology corporation, where he was responsible for investment strategy, deal development, analysis, valuation, and negotiation of selected investments in private and publicly-traded corporations. Mr. André P. Boulet has also been a Director and Senior Officer of Bioxel Pharma Inc. from November 2000 to December 2008.

Throughout his career, Dr. Boulet developed international expertise in the drug development and health economics, working with Hoechst Marion Roussel Inc., Marion Merrell Dow Canada Inc. and Nordic Laboratories Inc. (now Sanofi Canada).

On June 2014, Dr. Boulet was elected on the Editorial Board of the Journal of Dairy, Veterinary & Animal Research (JDVAR). In October 2015, he was elected as Editor In Chief of JDVAR.

Dr. Boulet holds a bachelor's degree in medical biology from University of Québec at Trois-Rivières since September 1981, a master's degree in experimental medicine/immunology-immunochemistry as well in June 1985 and a Ph.D. in physiology-endocrinology in June 1988 from Laval University in Québec City. He also completed a postdoctoral fellowship in biochemistry and biophysics at the University of Pennsylvania, in the United States, and a training program in health economics at York University, in the United Kingdom.

He received the Ortho Pharmaceutical award for basic research, on two consecutive years, in 1986 and 1987; received Graduate Student Fellowship (1987-88) and Postdoctoral training Grants (1988-90) both from the Fonds de Recherche du Québec - Santé. He was Faculty member of the American Society of Hypertension, Inc. in 1993 and served on the U.S. Food and Drug Administration (FDA) Cardio Renal CRADA Steering Committee from 1994 to 1996, assessing the potential use of ambulatory blood pressure monitoring data for the approval of new anti-hypertensive drugs. He is the author or co-author of many manuscripts related to basic and clinical research, finance and health-economics. He is the co-author of three patents. Dr. Boulet is a full-time employee of Devonian and works 100% of his professional time for Devonian. Mr. André P. Boulet has not entered into a non-competition or a non-disclosure agreement with Devonian.

François Michaud - Chief Financial Officer

Mr. Francois Michaud, age 52 has financial experience in a wide range of industries with public and private corporations in Canada and Europe. Before joining Devonian in August 2015, he was Chief Financial Officer of Devcore Group Inc., a construction and property development corporation, from January 2015 to July 2015 and a consultant from March 2009 to December 2014. Previously, he was Chief Financial Officer of BioSyntech, Inc., a TSX listed biotechnology corporation, from July 2006 to February 2009. Mr. François Michaud was consultant from April 2005, to June 2006. Previously, he was Chief Financial Officer of Hemera Technologies Inc., a software business and Chief Financial Officer of Ekco Group Limited, a UK based manufacturing corporation. He also held senior positions in Corporate Finance with DS Smith Plc, Quebecor Inc., Robert Fleming & Co. (now JP Morgan & Co.) and KPMG LLP.

Mr. Michaud is a member of *Ordre des comptables professionnels agréés du Québec* since 1988 and holds a bachelor's degree in accounting from the *Université du Québec en Outaouais* since 1986. Mr. Michaud is a full-time employee of Devonian and works 100% of his professional time for Devonian. Mr. Michaud has not entered into a non-competition or a non-disclosure agreement with Devonian

Matthew Peppler – Director

Matthew Peppler, age 60, is the Founder, President and Chief Executive Officer of Popgun Trading Company, Inc., a private equity corporation he founded in February 2004 in California and currently incorporated in Florida. Popgun Trading Company, Inc. specializes in finding and investing in early-stage disruptive-technology corporations focused in the areas of biotechnology, pharmaceuticals, and medical instruments.

Mr. Peppler was born in Chappaqua, New York. He attended the University of Pennsylvania, where he studied at the Wharton School of Business and graduated cum laude from the College of Liberal Arts in January 1979. In 1980, Mr. Peppler also completed the Producer Program of the American Film Institute in Beverly Hills, California.

In February 2004, Mr. Peppler incorporated Popgun Trading Company, Inc. in Santa Monica, California. Mr. Peppler is an independent contractor and he will devote approximately 15% of his time and efforts for the benefit of Devonian. He has not entered into a non-competition but has entered into a confidentiality agreement with Devonian.

Jean Bourgouin – Director

Dr. Bourgouin, age 69, has years of global clinical drug development experience in the pharmaceutical industry. He is on-staff physician at Hôtel-Dieu of *Centre hospitalier de l'Université de Montréal* since September 2009. Previously, Dr. Bourgouin joined Rhône-Poulenc (now Sanofi Canada) in 1982 and he subsequently joined Hoechst Marion Roussel in 1997, which was later merged with Rhône-Poulenc Rorer in 1999 to form Aventis. Dr. Bourgouin held positions of increasing responsibility within these corporations and served as Vice President of Scientific Affairs at Aventis for five years. In this latter role, he had responsibility for all activities related to clinical research, health economics and professional education. After leaving Aventis in 2004, he served as Vice President Scientific Affairs and Chief Medical Officer of Wex Pharmaceuticals Inc., a corporation developing a new class of non-opioid analgesics, from March 2005 to March 2006. Prior to returning to Wex Pharmaceuticals Inc., as the Chief Scientific Officer from June 2008 to March 2009, Dr. Bourgouin served as Vice President Scientific Affairs of Bradmer Pharmaceuticals Inc., a corporation dedicated to the development and commercialization of cancer therapies, from December 2006 to December 2007.

Dr. Bourgouin earned his bachelor's degree at *Collège Jean-de-Brébeuf* in Montréal, an M.Sc. in Pharmacology from the University of Montréal in 1980 and his M.D. from the same university in 1970. He is a licensed member of the Medical Council of Canada and was Associate Professor in the Pharmacology Department of the *Université de Montréal* from 1989 to 2006. Dr. Bourgouin is an independent contractor and he will devote approximately 5% of his professional time for the benefit of Devonian. He has not entered into a non-competition but has entered into a non-disclosure agreement with Devonian.

Pierre Colas – Director

Mr. Colas, age 59, has experience in the field of corporate finance. Retired Québec based investment banker, Mr. Colas was Vice President and Managing Director, Investment Banking at Industrial Alliance Securities Inc., a corporation who offers a diversified business ranging from wealth management, institutional equity research and institutional bonds to group pensions, from March 2009 to February 2014. Prior to his appointment at Industrial Alliance Securities Inc., he was Senior Vice President, Investment Banking at Desjardins Securities Inc., a corporation who offers a complete range of securities brokerage products and services through its investment advisors and its Disnat Online Brokerage division, from April 2005 to March 2009. Mr. Colas holds a bachelor degree in commerce from the Concordia University, Montréal since May 1980. He was a member of the TSX Advisory Committees. Mr. Colas is an independent contractor and he will devote approximately 10% of his time and effort for the benefit of Devonian. He has not entered into a non-competition but has entered into a confidentiality agreement with Devonian.

Germain Carrière – Director

Mr. Germain Carrière, age 67 is retired and still sits on the boards of numerous companies operating in various economic sectors. Mr. Carrière holds a law degree from the *Université de Sherbrooke* and a MBA from the University of Western Ontario. Mr. Carrière was a member of the *Barreau du Québec* from December 1975 until December 2009 and a member of the Investment Dealers Association of Canada, where he has been a Board Member for two years, and a member of the Investment Industry Regulatory Organization of Canada until September 2005. He also serves on the board of directors of two publicly traded corporations, Midland Exploration Inc. (TSX-V: MD) as director since January 2005 and TSO_3 Inc. (TSX: TOS) as chairman since June 1998. Mr. Carrière also sits on the board of National Bank Trust since June 2013. Mr. Carrière has been a director of Pacific International Securities Inc. from May 1998 to November 2002.

After joining *Lévesque Beaubien* in 1979 as Senior Vice President, Corporate Finance, he was appointed Senior Vice President, Individual Investor Services in 1983 and then Executive Vice President, Individual Investor Services in 1989. In 1995, he assumed the position of Senior Executive Vice President, Individual Investor Services and Information Technology and was promoted to President and Chief Operating Officer, Individual Investor Services of National Bank Financial Inc. in 1999.

In recent years, after holding the position of Vice Chairman, Corporate Strategy from November 2002 until September 2005, at National Bank Financial Inc., a financial institution, he held the positions of President and Chief Executive Officer at Desjardins Securities Inc., a financial institution, from September 2005 until September 2009. Mr. Carrière is an independent contractor and he will devote approximately 5% of his time and effort for the benefit of Devonian. He has not entered into a non-competition but has entered into a confidentiality agreement with Devonian.

Nathalie Boucher – Director, Research and Intellectual Property

Nathalie Boucher, age 51, holds a bachelor's degree in biochemistry since 1989, a master's degree in biophysics since 1991, both from the University of Québec at Trois-Rivières, and a Ph.D. in environmental science from University of Québec at Montréal since 1998. She has experience in both private and university research centers. Ms. Boucher is lecturer in Biochemistry at University of Québec at Trois-Rivières since September 2011. She was project manager at LABBELL INC. (now LBI Innovation Inc.), a corporation specialized in research and development in Chemistry-Biochemistry and Biophysics, from January 2001 to February 2010. She has also contributed to the writing of patents and scientific articles. Ms. Boucher is a full-time employee of Devonian and works approximately 80% of her professional time for Devonian. Ms. Boucher entered into a non-competition and a non-disclosure agreement with Devonian.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

To the knowledge of the board of directors of Devonian and based on the information provided by the directors, executive officers and Promoter, none of these persons:

(a) is, as at the date of the Prospectus, or has been, within ten years before this date, a director, chief executive officer or chief financial officer of any corporation, including Devonian, which has been subject to one of the following orders:

  (i) a cease trade order, an order similar to a cease trade order or an order that denied the relevant corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, while the person was acting in the capacity as director, chief executive officer or chief financial officer; or

  (ii) a cease trade order, an order similar to a cease trade order or an order that denied the relevant corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, after the person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the person exercised these duties;

To the knowledge of the board of directors of Devonian and based on the information provided by the directors, executive officers, Promoter of Devonian or shareholders holding a sufficient number of securities of Devonian to affect materially the control of Devonian, none of these persons:

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

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

(c) has been imposed any penalties or sanctions by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory or has been imposed any penalties or sanctions by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Notwithstanding the above, Mr. Germain Carrière, has been a director of Pacific International Securities Inc. from May 1998 to November 2002 and has entered into a settlement agreement with the Executive Director of the British Columbia Securities Commission on September 6, 2002. This settlement agreement has been entered into following the acknowledgement of Mr. Carrière of certain deficiencies in Pacific International Securities Inc.'s compliance procedures. Mr. Carrière agreed to pay the British Columbia Securities Commission $5,000 as part of the agreement, $4,000 of which represented a contribution towards the investigative costs. Despite such settlement agreement, on September 1, 2006, a majority decision has been rendered pursuant to Section 161 of the *Securities Act* (British Columbia) which found that the Executive Director did not prove any of the allegations against the respondents, which initially included Mr. Carrière. The Executive Director alleged that the respondents contravened the know your client rule (section 48 of the Securities Rules, BC Reg 194/97), the business procedures rule (section 44 of the Rules) and acted contrary to the public interest.

Notwithstanding the above, Mr. André P. Boulet was a senior officer and a director of Bioxel Pharma Inc. ("Bioxel") from November 2000 to December 2008. On December 12, 2008, Bioxel announced that it had filed a petition seeking protection under the *Companies' Creditors Arrangement Act*. On April 9, 2009, Bioxel made a voluntary assignment in bankruptcy in accordance with the *Bankruptcy and Insolvency Act*.

CONFLICTS OF INTEREST

Certain directors and executive officers of Devonian may be exposed to conflicts of interest in connection with the operations of Devonian. Certain directors and executive officers of Devonian are involved or will continue to be involved in the business of companies or enterprises that might compete with Devonian. Consequently, there may be circumstances where directors and executive officers of Devonian will be in direct competition with Devonian. Conflicts of interest, if any, will be dealt with in accordance with the procedures and remedies set out in the Confidentiality and Conflict of Interest Policy and Disclosure Forms signed by certain directors and in accordance with the QBCA and, upon completion of the Amalgamation, with the CBCA.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this section, "Named Executive Officers", means each of the following individuals: (i) each individual who, in respect of Devonian, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer, (ii) each individual who, in respect of Devonian, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer, (iii) in respect of Devonian, the most highly compensated executive officer other than the individuals identified in paragraphs (i) and (ii) at the end of the most recently completed financial year whose total compensation was more than $150,000 and (iv) each individual who would be a Named Executive Officer under (iii) above but for the fact that the individual was neither an executive officer of Devonian nor acting in a similar capacity, at the end of that financial year.

For the purposes of this section, the only "Named Executive Officer" of Devonian is Mr. André P. Boulet, President, Chief Executive Officer, Secretary, Promoter and director. Mr. François Michaud has been appointed as Chief Financial Officer of Devonian on August 10, 2015 and his salary on an annual basis is $160,000.

Compensation Discussion and Analysis

Devonian does not have in place an executive compensation program.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all compensation other than stock options and other compensation securities paid or earned by Devonian's Named Executive Officer and director for the years ended July 31, 2015 and July 31, 2016.

Name and Principal Position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	All Other Compensation ($)	Total Compensation ($)
André P. Boulet President, Chief Executive Officer, Secretary, Promoter and director	2015	$54,123[(1)]	Nil	Nil	Nil	Nil	$54,123
	2016	$160,000	Nil	Nil	Nil	Nil	$160,000
François Michaud Chief Financial Officer	2015	Nil	Nil	Nil	Nil	Nil	Nil
	2016	$153,847[(2)]	Nil	Nil	Nil	Nil	$153,847

Notes:

(1) Mr. Boulet's salary on an annual basis is $160,000.
(2) Mr. Michaud joined Devonian in August 2015, his annual salary on an annual basis is $160,000.

Stock Options and Other Compensation Securities

No stock option or compensation security were granted or issued to Named Executive Officer and director by Devonian in the most recently completed financial year for services provided or to be provided, directly or indirectly, to Devonian.

Stock Option Plan and Other Incentive Plans

Devonian does not currently have a stock option plan, stock option agreement made outside of a stock option plan, plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted.

Employment, Consulting and Management Agreements

There is no agreement or arrangement under which compensation was provided during the most recently completed fiscal year of Devonian or is payable in respect of services provided to Devonian that were (i) performed by its director or Named Executive Officer, or (ii) performed by any other party but are services typically provided by its director or Named Executive Officer.

Oversight and Description of Director and Named Executive Officer Compensation

The board of directors of Devonian has the responsibility for determining the compensation of its Named Executive Officers and directors. Other than as set forth herein, Devonian does not expect to pay any additional compensation to its Named Executive Officers and directors.

Pension Disclosure

Devonian does not provide any pension to its Named Executive Officers and directors.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of the Prospectus, no executive officer, director, proposed nominee for election as a director, and each associate of any such persons, or employee, former or present, of Devonian was indebted to Devonian or to another entity where the indebtedness was subject to a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Devonian.

MATERIAL CONTRACTS

Other than contracts in the ordinary course of business, Devonian did not enter into any material contract within the fiscal year ended July 31, 2016, or prior to such fiscal year and that is still in effect, except

a) the Asset Purchase Agreement. See "Information Concerning Devonian – General Development of Business – History since Inception";

b) the Assumption Agreement. See "Information Concerning Devonian – General Development of Business – History since Inception";

c) the Deeds of Hypothec. See "Information Concerning Devonian – General Development of Business – History since Inception";

d) the Agreement in Principle.

Copies of these material contracts will be available for inspection without charge at the offices of Stein Monast L.L.P., at 70 Dalhousie Street, Suite 300, Québec, Québec G1K 4B2, at any time during ordinary business hours up to and including the Effective Date of the Amalgamation, as well as for a period of 30 days thereafter. Please contact Richard Provencher at (418) 640-4427.

RELATED PARTY TRANSACTIONS

Since its incorporation, Devonian has not acquired any assets or called upon the services of an Insider, a Promoter or a member of the management or any partner, and has not paid any commission to its directors or executive officers or any company related to them.

PROMOTER

Mr. André P. Boulet may be considered the Promoter of Devonian in that he took the initiative in founding and organizing the business of Devonian. As of the date of the Prospectus, Mr. André P. Boulet, owns, controls or directs 13,130,602 Devonian Shares. See "Information Concerning Devonian – Principal Securityholders and Selling Securityholders".

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

There are no directors, executive officers or other persons that beneficially own, or control or direct, directly or indirectly, more than 10% of any class or series of the outstanding voting securities of Devonian, nor any associate or Affiliate of such persons that have had a material interest, direct or indirect, in any transaction since inception that has materially affected or is reasonably expected to materially affect Devonian.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Since the beginning of the fiscal year ended July 31, 2016, there was no outstanding or contemplated legal proceedings for which Devonian is or was a party to, or that any of its property is or was the subject of, that involves a claim for damages, exclusive of interest and costs, that exceed 10% of the current assets of Devonian.

Devonian has not been the subject of (i) penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of the Prospectus or (ii) any other penalties or sanctions imposed by a court or regulatory body against Devonian necessary for the Prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; or (iii) settlement agreements entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of the Prospectus.

ARM'S LENGTH TRANSACTION

The Amalgamation is not a Non Arm's Length Qualifying Transaction.

AUDITORS OF DEVONIAN

The auditors of Devonian are Mallette located at 3075 chemin des Quatre-Bourgeois, Suite 200, Québec, Québec G1W 5C4.

RELATIONSHIP BETWEEN DEVONIAN AND THE AGENT

Devonian is neither a "connected issuer" nor a "related issuer" (as such terms are defined in Regulation 33-105) of the Agent.

INFORMATION CONCERNING THE RESULTING ISSUER

NAME, ADDRESS AND INCORPORATION

On the Effective Date of the Amalgamation, Orletto and Devonian will have been amalgamated to form an entity to be named "Devonian Health Group Inc./Groupe Santé Devonian Inc." The Resulting Issuer will be a corporation governed by the CBCA.

The Resulting Issuer's head office will be located at 360 des Entrepreneurs Street, Montmagny, Québec, G5V 4T1.

INTERCORPORATE RELATIONSHIPS

Following the completion of the Transaction, the Resulting Issuer will have no subsidiaries.

NARRATIVE DESCRIPTION OF THE BUSINESS

Following the completion of the Transaction, the Resulting Issuer will continue to carry on the business of Devonian. See "Information Concerning Devonian – Description of the Business".

STATED BUSINESS OBJECTIVES AND MILESTONES

The Resulting Issuer will have the same stated business objectives as Devonian, namely the development of prescription botanical drugs and derma-cosmeceutical products. The following are the initial principal milestones that must occur in the next 12 months in the case of the Minimum Offering and 13 months in the case of the Maximum Offering, in order for the Resulting Issuer to achieve its principal business objectives.

Milestone	Target Date	Approximate Estimated Cost in the case of the Minimum Offering	Approximate Estimated Cost in the case of the Maximum Offering
Completion of a large Phase 2 clinical trial of Thykamine^{tm} in patients with atopic dermatitis	Q4 2017	$2,025,000	$2,025,000
Business development activities related to Thykamine^{tm} licensing	Q1 2018	$204,000	$204,000
Completion cGMP extraction qualification	Q1 2018	-	$1,200,000
Development of oral and suppository formulations	Q4 2017	-	$800,000
Structural characterization/mechanism of action	Q4 2017	-	$500,000
R&D: potential pharmaco-kinetic markers	Q4 2017	-	$400,000
Total:		$2,229,000	$5,129,000

DESCRIPTION OF THE RESULTING ISSUER SECURITIES

Upon completion of the Transaction, the Resulting Issuer will be authorized to issue an unlimited number of Amalco Subordinate Voting Shares, Amalco Subordinate Exchangeable Voting Shares and Amalco Multiple Voting Shares which will have the following attributes. Except as described herein, the Amalco Subordinate Voting Shares, the Amalco Subordinate Exchangeable Voting Shares and the Amalco Multiple Voting Shares will have the same rights, will be equal in all respects and will be treated by the Resulting Issuer as if they were shares of one class only.

The Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares are considered to be restricted securities within the meaning of Regulation 41-101 General Prospectus Requirements ("Regulation 41-101"). Paragraph 12.3(1)(a) of Regulation 41-101 prohibits the filing of a prospectus under which restricted securities are distributed without prior requisite securityholder approval. Orletto has requested relief from this requirement. The issuance of a receipt for the final prospectus will evidence the granting of the Exemption Sought. See ''Exemptions from Regulation''.

Summary of Rights, Privileges, Restrictions and Conditions of the Amalco Subordinate Voting Shares, the Amalco Subordinate Exchangeable Voting Shares and the Amalco Multiple Voting Shares

Rank

The Amalco Subordinate Voting Shares, the Amalco Subordinate Exchangeable Voting Shares and the Amalco Multiple Voting Shares shall rank pari passu with respect to the payment of dividends, return of capital and distribution of assets in the event of the liquidation, dissolution or winding-up of the Resulting Issuer. In the event of the liquidation, dissolution or winding-up of the Resulting Issuer or any other distribution of its assets among the shareholders for the purposes of winding-up its affairs, whether voluntarily or involuntarily, the holders of Amalco Subordinate Voting Shares, Amalco Subordinate Exchangeable Voting Shares and Amalco Multiple Voting Shares shall be entitled to participate equally, share for share, in the remaining property and assets of the Resulting Issuer available for distribution to shareholders of the Resulting Issuer, without preference or distinction among or between the Amalco Subordinate Voting Shares, theAmalco Subordinate Exchangeable Voting Shares and the Amalco Multiple Voting Shares.

Dividends

The holders of outstanding Amalco Subordinate Voting Shares, Amalco Subordinate Exchangeable Voting Shares and Amalco Multiple Voting Shares shall be entitled to receive dividends on a share for share basis on such dates and for such amounts and form as the board of directors of the Resulting Issuer may from time to time determine, without preference or distinction among or between the Amalco Subordinate Voting Shares, the Amalco Subordinate Exchangeable Voting Shares and the Amalco Multiple Voting Shares. In the event of a payment of a dividend in the form of shares of the Resulting Issuer, holders of Amalco Subordinate Voting Shares shall receive Amalco Subordinate Voting Shares, holders of Amalco Subordinate Exchangeable Voting Shares shall receive Amalco Subordinate Exchangeable Voting Shares and holders of Amalco Multiple Voting Shares shall receive Amalco Multiple Voting Shares.

Subdivision or consolidation

No subdivision or consolidation of the Amalco Subordinate Voting Shares, the Amalco Multiple Voting Shares or the Amalco Subordinate Exchangeable Voting Shares shall be carried out unless, at the same time, the Amalco Subordinate Voting Shares, the Amalco Multiple Voting Shares or the Amalco Subordinate Exchangeable Voting Shares, as the case may be, are subdivided or consolidated in the same manner and, in such event, the rights, privileges, conditions and restrictions then attached to the Amalco Subordinate Voting Shares, the Amalco Multiple Voting Shares and the Amalco Subordinate Exchangeable Voting Shares shall also apply to the Amalco Subordinate Voting Shares, the Amalco Multiple Voting Shares and the Amalco Subordinate Exchangeable Voting Shares as subdivided or consolidated.

Rights to Subscribe

In the event of any distribution or issuance, including by way of a share dividend, (a "Distribution") of voting shares of Amalco (other than Amalco Multiple Voting Shares, Amalco Subordinate Voting Shares issued upon the exchange of Amalco Multiple Voting Shares, voting shares issued in connection with a subdivision or pursuant to the exercise of a right attached to any security of Amalco issued prior to the Distribution) (the "Distributed Shares") or of securities convertible or exchangeable into Distributed Shares or giving the right to acquire Distributed Shares (other than options or other securities issued under compensatory plans or other plans to purchase Distributed Shares or any other securities of Amalco in favour of the management, directors, employees or consultants of Amalco) (the "Convertible Securities" and, together with the Distributed Shares, the "Distributed Securities"), Amalco shall issue to the holder(s) of Amalco Multiple Voting Shares, rights to subscribe for that number of Amalco Multiple Voting Shares, or, as the case may be, for securities convertible or exchangeable into or giving the right to acquire, on the same terms and conditions, including subscription or exercise price, as applicable, *mutatis mutandis* (except for the ultimate underlying securities which shall be Amalco Multiple Voting Shares), as those stipulated in the Convertible Securities, that number of Amalco Multiple Voting Shares, respectively, which carry, in the aggregate, a number of voting rights sufficient to fully maintain the proportion of total voting rights (on a fully diluted basis) associated with the then outstanding Amalco Multiple Voting Shares (the "Rights to Subscribe").

The Rights to Subscribe shall be issued to the holder(s) of Amalco Multiple Voting Shares in a proportion equal to their respective holdings of Amalco Multiple Voting Shares and shall be issued concurrently with the completion of the Distribution of the applicable Distributed Securities as contemplated in the above paragraph. To the extent that any such Rights to Subscribe are exercised, in whole or in part, the securities underlying such Rights to Subscribe (the "Subscription Securities") shall be issued and must be paid for concurrently with the completion of the Distribution and payment to Amalco of the issue price for the Distributed Securities, at the lowest price permitted by the applicable securities and stock exchange regulations and subject (as to such price) to the prior consent of the exchange but at a price not lower than (i) if the Distributed Securities are Amalco Subordinate Voting Shares, the price at which Amalco Subordinate Voting Shares are then being issued or distributed, (ii) if the Distributed Securities are Convertible Securities, the price at which the applicable Convertible Securities are then being issued or distributed; and (iii) if the Distributed Securities are Distributed Shares other than Amalco Subordinate Voting Shares, the higher of (a) the weighted average price of the transactions on the Amalco Subordinate Voting Shares on the TSXV (or such other primary stock exchange on which they are listed, as the case may be) for the 20 trading days preceding the Distribution of such Distributed Shares and (b) the weighted average price of transactions on the Amalco Subordinate Voting Shares on the TSXV (or such other primary stock exchange on which they are listed, as the case may be), the trading day before the Distribution of such Distributed Shares.

The privileges attached to Subscription Securities which are securities convertible or exchangeable into or giving the right to acquire Amalco Multiple Voting Shares shall only be exercisable if and whenever the same privileges attached to the Convertible Securities are exercised and shall not result in the issuance of a number of Multiple Voting Shares which increases the proportion (as in effect immediately prior to giving effect to the completion of the Distribution) of total voting rights associated with the Multiple Voting Shares after giving effect to the exercise by the holder(s) of the privileges attached to such Convertible Securities.

The right to receive Rights to Subscribe as described above, and the legal or beneficial ownership of the Rights to Subscribe, may be assigned in whole or in part among Permitted Holders (as defined below), provided that written notice of any such assignment shall be sent promptly to Amalco.

The Amalco Subordinate Voting Shares and the Amalco Subordinate Exchangeable Voting Shares have no pre-emptive or subscription rights to purchase any securities of Amalco.

Issuance of Additional Amalco Multiple Voting Shares

Following the Effective Date of the Amalgamation, Amalco may not issue additional Amalco Multiple Voting Shares to a Permitted Holder without, in addition to any other shareholder approval requirements which may be imposed under applicable law, the approval of at least two-thirds of the votes cast at a meeting called in order to approve such issuance by the holders of Amalco Subordinate Voting Shares present in person, or represented by proxy, voting separately as a class (excluding any votes attached to Amalco Subordinate Voting Shares owned, directly or indirectly, by a holder of Amalco Multiple Voting Shares) in favour of such issuance; provided, however, that such shareholder approval is not required in connection with a subdivision or consolidation of the Amalco Multiple Voting Shares on a *pro rata* basis as between the Amalco Subordinate Voting Shares, the Amalco Multiple Voting Shares and the Amalco Subordinate Exchangeable Voting Shares, or the issuance of Amalco Multiple Voting Shares pursuant to the exercise of the Rights to Subscribe or as dividends on the Amalco Multiple Voting Shares in circumstances where dividends in the form of Amalco Subordinate Voting Shares have been paid on the Amalco Subordinate Voting Shares and where dividends in the form of Amalco Subordinate Exchangeable Voting Shares have been paid on the Amalco Subordinate Exchangeable Voting Shares.

Voting Rights

Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares

The holders of Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares shall be entitled to receive notice of, and to attend and vote at all meetings of the shareholders, except those at which holders of a specific class are entitled to vote separately as a class under the CBCA. Each Amalco Subordinate Voting Share and each Amalco Subordinate Exchangeable Voting Share shall confer the right to one vote per share.

Amalco Multiple Voting Shares

The holders of Amalco Multiple Voting Shares will be entitled to receive notice of, and to attend and vote at all meetings of the shareholders, except those at which holders of a specific class are entitled to vote separately as a class under the CBCA. Each Amalco Multiple Voting Share shall confer the right to six votes per share.

Exchange

Amalco Subordinate Exchangeable Voting Shares

The Amalco Subordinate Exchangeable Voting Shares shall be automatically exchanged into Amalco Subordinate Voting Shares, without any further intervention on the part of the Resulting Issuer or the holder of such shares in accordance with the following Exchange Schedule, provided however that the board of directors of Amalco may, in its sole discretion, accelerate the Exchange Schedule.

Exchange Dates	**Percentage of Total Amalco Subordinate Exchangeable Voting Shares to be Exchanged into Amalco Subordinate Voting Shares**
On the Effective Date of the Amalgamation	20%
6 months following the Effective Date of the Amalgamation	10%
12 months following the Effective Date of the Amalgamation	20%
18 months following the Effective Date of the Amalgamation	20%
24 months following the Effective Date of the Amalgamation	30%
TOTAL	**100%**

Amalco Multiple Voting Shares

Each outstanding Amalco Multiple Voting Share may at any time, at the holder's option, be exchanged into one Amalco Subordinate Voting Share. Upon the earliest to occur: (i) the date any Amalco Multiple Voting Share is held other than by a Permitted Holder (as defined below) or (ii) the date which falls ten years after the Effective Date of the Amalgamation, the Permitted Holder, without any further action, shall automatically be deemed to have exercised his, her or its rights to exchange all of the Amalco Multiple Voting Shares held by such holder into fully paid and non-assessable Amalco Subordinate Voting Shares, on a share for share basis. For the purposes of the foregoing "Permitted Holder" means (i) Mr. André P. Boulet and the members of his immediate family or (ii) 9099-3452 Québec Inc., any successor corporation (by amalgamation or otherwise) and any of its Affiliates, as long as Mr. André P. Boulet and/or any one or more of the members of his immediate family, directly or indirectly, exercise control or direction on the securities carrying in the aggregate at least 50% +1 of the participating (equity) securities of such corporations.

Restriction on Transfer

Amalco Subordinate Exchangeable Voting Shares

The holders of Amalco Subordinate Exchangeable Voting Shares shall not sell, transfer, assign, mortgage, enter into a derivative transaction concerning or dealing in any way with the Amalco Subordinate Exchangeable Voting Shares they hold except under specific circumstances such as the transfer of Amalco Subordinate Exchangeable Voting Shares (i) to existing or incoming executive officers and directors of the Resulting Issuer; (ii) to a person or company that before the proposed transfer holds more than 20% of the voting rights attached to the Resulting Issuer's outstanding securities or to a person or company that after the proposed transfer will hold more than 10% of the voting rights attached to the Resulting Issuer's outstanding securities; (iii) to a trustee in bankruptcy or another person or company entitled to escrow securities on bankruptcy; (iv) to or between a registered retirement savings plan (RRSP), registered retirement income fund (RRIF) or other similar registered plan or fund with a trustee, where the beneficiaries of the plan or fund are limited to a holder of Amalco Subordinate Exchangeable Voting Shares and his or her spouse, children and parents and (v) under other circumstances and on such terms and conditions as the board of the Resulting Issuer deems appropriate.

Listing of Securities on the TSXV

Only the Amalco Subordinate Voting Shares will be listed for trading on the TSXV.

Take-Over Bid Protection

Under Applicable Securities Regulation, an offer to purchase Amalco Multiple Voting Shares would not necessarily require that an offer be made to purchase Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares. In accordance with the rules of the TSXV designed to ensure that, in the event of a take-over bid, the holders of Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares will be entitled to participate on an equal footing with holders of Amalco Multiple Voting Shares, the Principal Shareholders of Devonian, as the owners of all the outstanding Amalco Multiple Voting Shares, will enter into a customary coattail agreement with the Resulting Issuer and a trustee (the ''Coattail Agreement''). The Coattail Agreement will contain provisions customary for TSXV listed corporations designed to prevent transactions that otherwise would deprive the holders of Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares of rights under applicable provincial take-over bid legislation to which they would have been entitled if the Amalco Multiple Voting Shares had been Amalco Subordinate Voting Shares.

The undertakings in the Coattail Agreement will not apply to prevent a sale by any Principal Shareholder of Devonian of Amalco Multiple Voting Shares if concurrently an offer is made to purchase Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares that: offers a price per Amalco Subordinate Voting Share and Amalco Subordinate Exchangeable Voting Shares at least as high as the highest price per share to be paid pursuant to the take-over bid for the Amalco Multiple Voting Shares; provides that the percentage of outstanding Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares to be taken up (exclusive of shares owned immediately prior to the offer by the offeror or persons acting jointly or in concert with the offeror) is at least as high as the percentage of Amalco Multiple Voting Shares to be sold (exclusive of Amalco Multiple Voting Shares owned immediately prior to the offer by the offeror and persons acting jointly or in concert with the offeror); has no condition attached other than the right not to take up and pay for Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares tendered if no shares are purchased pursuant to the offer for Amalco Multiple Voting Share; and is in all other material respects identical to the offer for Amalco Multiple Voting Shares. In addition, the Coattail Agreement will not prevent the transfer of Amalco Multiple Voting Shares by a Principal Shareholder of Devonian to a Permitted Holder (as defined below) provided such transfer is not or would not have been subject to the requirements to make a take-over bid (if the vendor or transferee were in Canada) or constitutes or would constitute an exempt take-over bid (as defined in applicable securities legislation).

The exchange of Amalco Multiple Voting Shares into Subordinate Voting Shares, whether or not such Amalco Subordinate Voting Shares are subsequently sold, would not constitute a disposition of Amalco Multiple Voting Shares for the purposes of the Coattail Agreement. Under the Coattail Agreement, any disposition of Amalco Multiple Voting Shares (including a transfer to a pledgee as security) by a holder of Amalco Multiple Voting Shares party to the agreement will be conditional upon the transferee or pledgee becoming a party to the Coattail Agreement, to the extent such transferred Amalco Multiple Voting Shares are not automatically exchanged into Amalco Subordinate Voting Shares in accordance with the articles of amalgamation. The Coattail Agreement will contain provisions for authorizing action by the trustee to enforce the rights under the Coattail Agreement on behalf of the holders of the Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares. The obligation of the trustee to take such action will be conditional on the Resulting Issuer or the holders of the Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares providing such funds and indemnity as the trustee may require. No holder of Amalco Subordinate Voting Shares or Amalco Subordinate Exchangeable Voting Shares will have the right, other than through the trustee, to institute any action or proceeding or to exercise any other remedy to enforce any rights arising under the Coattail Agreement unless the trustee fails to act on a request authorized by holders of not less than 10% of the outstanding Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares and reasonable funds and indemnity have been provided to the trustee. The Resulting Issuer will agree to pay the reasonable costs of any action that may be taken in good faith by holders of Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares pursuant to the Coattail Agreement. Other than in respect of non-material amendments and waivers that do not adversely affect the interests of holders of Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares, the Coattail Agreement will provide that it may not be amended, and no provision thereof may be waived, unless, prior to giving effect to such amendment or waiver, the following have been obtained: (a) the consent of the TSXV and any other applicable securities regulatory authority in Canada and (b) the approval of at least 662⁄3% of the votes cast by holders of Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares excluding votes attached to Amalco Subordinate Voting Shares held by the Principal Shareholders of Devonian, the Permitted Holders, their affiliates and any persons who have an agreement to purchase Amalco Multiple Voting Shares on terms which would constitute a sale or disposition for purposes of the Coattail Agreement other than as permitted thereby. No provision of the Coattail Agreement will limit the rights of any holders of Amalco Subordinate Voting Shares or Amalco Subordinate Exchangeable Voting Shares under applicable law.

Summary of Rights, Privileges, Restrictions and Conditions of Convertible Securities of the Resulting Issuer

Warrants comprising the Units

Upon completion of the Transaction, the Resulting Issuer will have 4,000,000 Warrants in the case of the Minimum Offering and 6,666,667 Warrants in the case of the Maximum Offering issued and outstanding (assuming no exercise of the Over-Allotment Option).

The Warrants to be issued under the Offering will be governed by a warrant indenture dated as of the Closing Date between the Resulting Issuer and CST, as warrant agent (the "Warrant Indenture"). Each Warrant will entitle the holder thereof to purchase one Warrant Share, at a price of $1.10 per Warrant Share, subject to adjustment described below, for a period of 24 months from the Closing Date. The Warrant Shares, when issued upon due exercise of the Warrants, will be fully paid and non-assessable, and the Resulting Issuer will pay any transfer tax incurred as a result of the issuance of the Warrant Shares except for any tax payable in respect of any transfer in a name other than the holders'.

The Warrants may be transferred or assigned. The Resulting Issuer may require payment of a sum sufficient to cover any taxes or governmental or other charges that may be imposed in connection with any registration of transfer or exchange of a Warrant certificate.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

(a) the issuance of Amalco Subordinate Voting Shares or securities exchangeable for or convertible into such shares at no additional cost to all or substantially all of the holders of Amalco Subordinate Voting Shares by way of a stock dividend or other distribution;

(b) the subdivision, redivision or change of the Amalco Subordinate Voting Shares into a greater number of shares;

(c) the reduction, combination or consolidation of the Amalco Subordinate Voting Shares into a lesser number of shares;

(d) the issuance to all or substantially all of the Amalco Subordinate Voting Shares, of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Amalco Subordinate Voting Shares, or securities exchangeable for or convertible into Amalco Subordinate Voting Shares, at a price per share to the holder (or at an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, for the Amalco Subordinate Voting Shares on such record date; and

(e) the issuance or distribution to all or substantially all of the holders of Amalco Subordinate Voting Shares, securities of the Resulting Issuer (including securities exchangeable for or convertible into Amalco Subordinate Voting Shares), or other property or assets of the Resulting Issuer.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of a:

(a) reclassification of the Amalco Subordinate Voting Shares (other than as described above);

(b) consolidation, amalgamations, arrangements or mergers of the Resulting Issuer with or into any other corporation or other entity (other than consolidations, amalgamations, arrangements or mergers which do not result in any reclassification of the outstanding Amalco Subordinate Voting Shares or a change of the Amalco Subordinate Voting Shares into other shares); or

(c) the transfer of the property or assets of the Resulting Issuer as an entirety or substantially as an entirety to another corporation or entity (other than transfers of the property or assets of the Resulting Issuer which do not result in any reclassification of the outstanding Amalco Subordinate Voting Shares or a change of the Amalco Subordinate Voting Shares into other shares).

No adjustment to the exercise price or the number of Warrant Shares purchasable upon the exercise of the Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the prevailing exercise price.

The Resulting Issuer will also covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to each registered holder of Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date or effective date, as the case may be, of such event.

The Resulting Issuer is not required to issue fractional shares upon the exercise of the Warrants (and is not required to pay cash in lieu of the issuance of fractional shares). The holders of the Warrants will not possess any rights as shareholders of the Resulting Issuer until such holders exercise the Warrants.

From time to time, the Resulting Issuer and the warrant agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that, in the opinion of the warrant agent, does not prejudice the rights of the warrant agent or the holders of the Warrants. In accordance with and subject to the terms of the Warrant Indenture, amendments or supplements to the Warrant Indenture that so prejudice the interests of the holders of the Warrants may only be made by "extraordinary resolution", which will be defined in the Warrant Indenture as a resolution either (i) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of Warrant Shares which may be acquired pursuant to all the then outstanding Warrants, and passed by the affirmative vote of holders of Warrants representing not less than $66^{2/3}$% of the votes cast upon such resolution; or (ii) adopted by an instrument in writing signed by the holders of Warrants entitled to acquire not less than $66^{2/3}$% of the aggregate number of Warrant Shares which may be acquired pursuant to all the then outstanding Warrants.

All of the foregoing statements are subject to the more detailed provisions of the Warrant Indenture.

Amalco Devonian Existing Warrants

Upon completion of the Transaction, the Resulting Issuer will also have an aggregate of 10,820,619 Amalco Devonian Existing Warrants issued and outstanding, each entitling its holder thereof to acquire one Amalco Subordinate Exchangeable Voting Share at a price of $0.20 per Amalco Subordinate Exchangeable Voting Share and expiring on the same dates in accordance with their terms. See "Information Concerning Devonian – Description of Devonian Securities – Devonian Existing Warrants" for a description of the terms and conditions of the Devonian Existing Warrants issued and outstanding immediately prior to the Amalgamation that will be converted into the Amalco Devonian Existing Warrants upon completion of the Amalgamation.

Amalco Devonian Existing Debentures Warrants

Upon completion of the Transaction, the Resulting Issuer will have an aggregate of 1,424,876 Amalco Devonian Existing Debentures Warrants issued and outstanding as a result of the conversion of the Devonian Existing Debentures, each Amalco Devonian Existing Debentures Warrant entitling its holder to purchase one Amalco Subordinate Voting Share, at a price of $1.10 per Amalco Subordinate Voting Share, for a period of 24 months from the Closing Date. See "Information Concerning Orletto – Qualyfing Transaction – Amalgamation Agreement".

Amalco Orletto Options

Upon completion of the Transaction, the Resulting Issuer will have an aggregate of 200,000 Amalco Orletto Options, each entitling its holder thereof to acquire one Amalco Subordinate Voting Share, at a price of $0.27 per Amalco Subordinate Exchangeable Voting Share, until September 9, 2019. The Amalco Orletto Options will be governed by the terms and conditions of the New Stock Option Plan, which are described under section "Information Concerning the Resulting Issuer – Options to Purchase Securities – New Stock Option Plan". For a description of the terms and conditions of the Orletto Existing Options issued and outstanding immediately prior to the Amalgamation that will be converted into the Amalco Orletto Options upon completion of the Amalgamation, see "Information Concerning Orletto – Stock Options and Other Compensation Securities – Orletto Existing Options".

PRO FORMA CONSOLIDATED CAPITALIZATION

The following table sets forth the pro forma share and loan capital of the Resulting Issuer, on a consolidated basis, based on the unaudited consolidated pro forma financial position of Orletto as at September 30, 2016 included in the Prospectus assuming completion of the Amalgamation and either the Minimum Offering or the Maximum Offering, as well as certain other adjustments. This table should be read in conjunction with the unaudited consolidated pro forma financial position of Orletto as at September 30, 2016 and the notes thereto contained in the Prospectus under Schedule "E".

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding After the Amalgamation and the Minimum Offering[(1)]	Amount Outstanding After the Amalgamation and the Maximum Offering[(1)]
Amalco Subordinate Voting Shares[(2)]	Unlimited	$2,986,549 (15,496,378 Amalco Subordinate Voting Shares)	$4,689,455 (20,829,711 Amalco Subordinate Voting Shares)
Amalco Multiple Voting Shares	Unlimited	$3,848,061 (19,966,523 Amalco Multiple Voting Shares	$4,495,123 (19,966,523 Amalco Multiple Voting Shares)
Amalco Subordinate Exchangeable Voting Shares[(2)]	Unlimited	$3,645,638 (18,916,210 Amalco Subordinate Exchangeable Voting Shares)	$4,258,663 (18,916,210 Amalco Subordinate Exchangeable Voting Shares)
Current Portion of Long Term Debt	N/A	$4,230,379	$4,230,379
Long Term Debt	N/A	-	-

Notes:

(1) Calculated on a partially diluted basis prior to any issue of securities issuable upon exercise of the Orletto Existing Options, the Devonian Existing Warrants but after the conversion of the Devonian Existing Debentures in principal and interest, if any, due as at October 31, 2016 and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering.
(2) Assuming conversion of 20% of the Amalco Subordinate Exchangeable Voting Shares upon completion of the Amalgamation in accordance with the Exchange Schedule. See "Information Concerning Orletto – Qualifying Transaction – Amalgamation Agreement".
(3) On a pro forma basis as at September 30, 2016, the deficit stood at $2,136,661.

Fully Diluted Share Capital

In addition to the information set out in the capitalization table above, the following table sets out the fully diluted share capital of the Resulting Issuer after giving effect to the Amalgamation and either the Minimum Offering or the Maximum Offering, as indicated:

Designation of Security	Number of Amalco Shares After Giving Effect to the Amalgamation and the Minimum Offering	Percentage of Total After Giving Effect to the Amalgamation and the Minimum Offering	Number of Amalco Shares After Giving Effect to the Amalgamation and the Maximum Offering	Percentage of Total After Giving Effect to the Amalgamation and the Maximum Offering
Amalco Subordinate Voting Shares issued and outstanding after giving effect to the Transaction	15,858,260[(1)]	21.29%	21,191,593[(1)]	24.43%
Amalco Multiple Voting Shares issued and outstanding after giving effect to the Transaction	19,966,523	26.80%	19,966,523	23.01%
Amalco Subordinate Exchangeable Voting Shares issued and outstanding after giving effect to the Transaction	20,034,036	26.90%	20,034,036	23.09%
Securities reserved for issuance pursuant to the Amalco Orletto Options	200,000	0.27%	200,000	0.23%
Securities reserved for issuance pursuant to the Amalco Devonian Existing Warrants	10,820,619	14.53%	10,820,619	12.47%
Securities reserved for issuance pursuant to the Amalco Devonian Existing Debentures Warrants	1,424,876[(2)]	1.91%	2,424,876[(3)]	2.80%
Securities reserved for issuance pursuant to the Warrants	4,000,000	5.37%	6,666,667	7.68%
Securities reserved for issuance pursuant to the Agent's Option	800,000	1.07%	1,533,333[(4)]	1.77%
Securities reserved for issuance pursuant to the full exercise of the Over-Allotment Option	-	-	2,000,000	2.31%
Securities reserved for issuance under the New Stock Option Plan[(5)]	1,385,826	1.86%	1,919,159[(6)]	2.21%
Total number of Securities (fully diluted)[(7)]	**74,490,140**	**100%**	**86,756,806**	**100%**

Notes:

(1) In addition to the number of Amalco Subordinate Voting Shares to be issued upon the Minimum Offering or the Maximum Offering, as applicable, this number includes the 2,849,751 Amalco Subordinate Voting Shares to be issued upon the conversion of the Devonian Existing Debentures in principal and interest (assuming conversion on March 31, 2017), at a discount of 15% or 20% of the Offering Price depending on their issue date. See "Information Concerning Orletto – Qualifying Transaction – Amalgamation Agreement".
(2) Upon the conversion of the Devonian Existing Debentures in principal and interest (assuming conversion March 31, 2017).
(3) This number includes the 1,424,876 Amalco Devonian Existing Debentures Warrants to be issued upon the conversion of the Devonian Existing Debentures in principal and interest (assuming conversion on March 31, 2017) and (iii) the 1,000,000 Warrants to be issued in connection with the full exercise of the Over-Allotment Option.
(4) This number assumes the full exercise of the Over-Allotment Option.
(5) Pursuant to the New Stock Option Plan, following the Transaction, the Resulting Issuer will have reserved for the grant of stock options up to 10% of the total number of Amalco Subordinate Voting Shares issued and outstanding upon the Closing Date, assuming completion of the Minimum Offering or the Maximum Offering, as applicable. This number does not take into consideration the securities reserved for issuance pursuant to the Amalco Orletto Options.
(6) This number does not include the securities reserved for issuance pursuant to the exercise of the Over-Allotment Option.
(7) Totals may not add due to rounding.

AVAILABLE FUNDS AND PRINCIPAL PURPOSES

Funds Available and Principal Purposes

Assuming no exercise of the Orletto Existing Options, the Devonian Existing Warrants, the Over-Allotment Option and the Agent's Option, management of Orletto and Devonian anticipate that, following the completion of the Transaction, the Resulting Issuer shall have estimated funds available of approximately $4,961,000, in the case of the Minimum Offering, and $8,557,000, in the case of the Maximum Offering. As of December 31, 2016, Orletto and Devonian have together cash totalling approximately $186,652. Together with the cash as of December 31, 2016, the estimated funds available to the Resulting Issuer following the completion of the Transaction shall be $5,147,652 in case of the Minimum Offering and $8,743,652 in case of the Maximum Offering, after deducting the estimated expenses and costs relating to the Offering and assuming the full payment of the Agent's Fee and the Corporate Finance Fee.

Proceeds from the Offering and Other Funds Available	Minimum Offering	Maximum Offering
Gross proceeds from the Offering	$6,000,000	$10,000,000
Cash as of December 31, 2016 of both Orletto and Devonian	$186,652	$186,652
Gross proceeds and other available funds	**$6,186,652**	**$10,186,652**
Less:		
Estimated expenses and costs relating to the Offering[(1)]	$394,000	$398,000
Agent's Fee	$600,000	$1,000,000
Corporate Finance Fee[(2)]	$45,000	$45,000
Net proceeds from the Offering and other funds available	**$5,147,652**	**$8,743,652**

Notes:

(1) Includes Orletto's legal fees, auditors' fees and filing fees with the TSXV and the other regulatory authorities as well as Devonian's legal and auditors' fees. As of December 31, 2016, a $45,000 retainer against the Agent's legal fees and out-of-pocket due diligence expenses, legal fees of $81,407 and other fees of $34,672 have been paid.
(2) As of December 31, 2016, half of the Corporate Finance Fee ($22,500) has been paid.

Following the completion of the Transaction, management of the Resulting Issuer intends to use the net proceeds from the Offering and other funds available as follows:

Use of Funds	Minimum Offering	Maximum Offering
Completion of a large Phase 2 clinical trial of Thykamine^{tm} in patients with atopic dermatitis	$2,025,000	$2,025,000
Business development activities related to Thykamine^{tm} licensing	$204,000	$204,000
General corporate requirements [(1)]	$1,378,868	$1,495,867
Debt repayment	$810,347	$810,347
Interest payments	$362,766	$390,927
Completion cGMP extraction qualification	-	$1,200,000
Development of the oral and suppository formulations	-	$800,000

Use of Funds	Minimum Offering	Maximum Offering
Structural characterization/mechanism of action	-	$500,000
R&D: potential pharmaco-kinetic markers	-	$400,000
Total aggregate operating costs to achieve stated business objectives and milestones	$4,780,981	$7,826,141
Unallocated working capital[(2)]	$366,671	$917,511
Total	$5,147,652	$8,743,652

Note:

(1) The amounts are net of a Scientific Research and Experimental Development tax credit of $174,444.
(2) Unallocated working capital will finance general corporate requirements, interest and from April 2018 debt repayments following completion of the above milestones before new financing is received.

The repayments of debt and interest payments are related to the Assumption Agreement pursuant to which Devonian committed to be bound by the terms and obligations of the loan made by IQ. The assumption of the loan of $5,989,706 allowed to purchase the assets of PurGenesis consisting of land, building, equipment and intellectual property and pay the fees of the receiver and legal fees of IQ.

The estimated working capital deficiency (includes the short term portion of the long term debt) as at December 31, 2016 is $924,460. During the fiscal year ended July 31, 2016 and the three-month period ended October 31, 2016, Devonian had negative cash flow from operating activities of $2,141,117 and $340,952 respectively. Devonian has not generated revenue to date and expects that the net proceeds of the Offering will be used, in part, to fund negative cash flow from operations in future periods. See “Risk Factors – Risks Relating to Our Business – History of Losses”. As set forth in the above table it is anticipated that in the case of the Minimum Offering up to $2.6 million of the proceeds will be used to fund negative cash flow from operations (being General corporate requirements, debt repayments and interest payments) over the next 12 months and in the case of the Maximum Offering up to $2.7 million of the proceeds will be used to fund negative cash flow from operations over the next 13 months. To the extent that Devonian has negative operating cash flows in future periods in excess of the amounts disclosed above in the use of proceeds, it may need to deploy a portion of its unallocated working capital to fund such negative cash flow.

It is estimated that the proceeds raised in connection with the Minimum Offering are expected to fund operations for 15 months and the proceeds raised in connection with the Maximum Offering are expected to fund operations for 18 months. The average burn rate per month is estimated at $355,000 in the case of the Minimum offering and $496,000 in the case of the Maximum Offering.

The Resulting Issuer will spend the estimated funds available to it on completion of the Transaction for the principal purposes indicated above. Notwithstanding the foregoing, there may also be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Resulting Issuer to achieve these objectives. Until required for the Resulting Issuer's purposes, the estimated funds available will only be invested in securities of, or those guaranteed by, the Government of Canada or any Province or Territory of Canada, in certificates of deposit or interest bearing accounts of Canadian chartered banks, trust companies or credit unions.

The Resulting Issuer may also require additional funds in order to fulfill all of the Resulting Issuer's future expenditure requirements or obligations, in which case the Resulting Issuer may raise additional funds either through the issuance of equity or by incurring debt to satisfy such requirements or obligations. There is no assurance that any additional funding required by the Resulting Issuer will be available.

While actual expenditures may differ from the amounts and allocations indicated above, the net proceeds will be used in furtherance of the Resulting Issuer's business.

Dividends

It is the current intention of the anticipated directors of the Resulting Issuer to retain any earnings to finance the growth and development of the Resulting Issuer's business and, therefore, the Resulting Issuer does not anticipate paying any dividends in the immediate or foreseeable future.

PRINCIPAL SECURITYHOLDERS

To the knowledge of Orletto and Devonian, following the completion of the Transaction, the only person who will beneficially own, directly or indirectly, or exercise control or direction over more than 10% of the Amalco Shares then issued and outstanding is as follows:

Name of Shareholder	Type of Ownership	Number of Amalco Shares	Number and Percentage of Amalco Shares After Giving Effect to the Amalgamation and the Minimum Offering[(1)]	Number and Percentage of Amalco Shares After Giving Effect to the Amalgamation and the Maximum Offering[(1)]
9099-3452 Québec Inc.[(2)] Blainville, Québec	Record and beneficially	19,965,536	19,965,536 35.74%[(3)(4)]	19,965,536 32.63%[(3)(4)]

Notes:

(1) Assuming no subscription of Units by this person under the Offering. This percentage is calculated on a partially diluted basis prior to any issue of securities issuable upon exercise of the Orletto Existing Options, the Devonian Existing Warrants but after the conversion of the Devonian Existing Debentures in principal and interest (assuming conversion on March 31, 2017), at a discount of 15% or 20% of the Offering Price depending on their issue date and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering.

(2) The principal shareholder of this corporation is Fiducie André Boulet, a trust whose trustee is Mr. André P. Boulet. Mr. André P. Boulet, through ownership of or control or direction over the securities of 9099-3452 Québec Inc. will be considered a principal securityholder of the Resulting Issuer. Mr. André P. Boulet will also hold directly 987 Amalco Multiple Voting Shares.

(3) On a fully diluted basis and with respect to the securities owned by 9099-3452 Québec Inc., these percentages are 26.80% assuming the Amalgamation and the Minimum Offering completed and 23.01% assuming the Amalgamation and the Maximum Offering completed. See "Information Concerning the Resulting Issuer – Pro Forma Consolidated Capitalization – Fully Diluted Share Capital".

(4) Collectively, with the Amalco Multiple Voting Shares owned by Mr. André P. Boulet personally, these percentages are 35.74% assuming the Amalgamation and the Minimum Offering completed and 32.63% assuming the Amalgamation and the Maximum Offering completed (respectively 26.80% and 23.01% on a fully diluted basis). See "Information Concerning the Resulting Issuer – Pro Forma Consolidated Capitalization – Fully Diluted Share Capital".

DIRECTORS, OFFICERS AND PROMOTER

Name, Address, Occupation and Security Holding

Each proposed director of the Resulting Issuer will hold office until the next annual meeting or until his or her successor is duly elected or appointed, unless his office is earlier vacated in accordance with the provisions of the CBCA or the constating documents of the Resulting Issuer. The information set forth below relating to the proposed directors, officers and Promoter is based partly on Devonian's records and partly on information received by Devonian from said directors, officers and Promoter. The information below sets forth the director's, officer's or Promoter's name, residence and proposed position to be held with the Resulting Issuer, the date on which the director or officer was first elected, the director's, officer's or Promoter's principal occupation during the last five years and the number and percentage of the Amalco Shares which will be beneficially owned, directly or indirectly, or over which control or direction will be exercised by the director, officer or Promoter following the completion of the Transaction.

Name, Residence and Proposed Position	Principal Occupation During the Last Five Years	Number and Percentage[(1)] of Amalco Shares Held After Giving Effect to the Amalgamation and the Minimum Offering[(2)]	Number and Percentage[(1)] of Amalco Shares Held After Giving Effect to the Amalgamation and the Maximum Offering[(2)]
André P. Boulet Blainville, Québec Canada Proposed President, Chief Executive Officer, Secretary, Promoter and director	President, Chief Executive Officer, Secretary, Promoter and director of Devonian since March 2015. Self-employed consultant from July 2013 to February 2015. President and Chief Executive Officer from November 2006 to December 2008 and Chief Operating Officer from January 2009 to June 2013 of PurGenesis (previously Purecell Technologies Inc.).	19,966,523[(3)] Amalco Multiple Voting Shares (35.74%)	19,966,523[(3)] Amalco Multiple Voting Shares (32.63%)
François Michaud Town of Mount Royal, Québec, Canada Proposed Chief Financial Officer	Chief Financial Officer of Devonian since August 2015. Chief Financial Officer of Devcore Group Inc. from January 2015 to July 2015. Self-employed consultant from March 2009 to December 2014.	Nil	Nil
Matthew Peppler Boca Raton, Florida United States Proposed Director	President and Chief Executive Officer of Popgun Trading Company, Inc., a private equity firm, since February 2004.	1,013,739 Amalco Subordinate Exchangeable Voting Shares 253,435 Amalco Subordinate Voting Shares (2.27%)	1,013,739 Amalco Subordinate Exchangeable Voting Shares 253,435 Amalco Subordinate Voting Shares (2.07%)
Jean Bourgouin Montréal, Québec Canada Proposed Director	On-staff Physician at the Hotel-Dieu du CHUM since September 2009.	Nil	Nil
Pierre Colas Outremont, Québec Canada Proposed Director	Currently retired. Vice-President & Managing Director, Investment Banking at Industrial Alliance Securities Inc. from March 2009 to February 2014.	14,564 Amalco Subordinate Exchangeable Voting Shares 40,308 Amalco Subordinate Voting Shares[(4)] (0.10%)	14,564 Amalco Subordinate Exchangeable Voting Shares 40,308 Amalco Subordinate Voting Shares[(4)] (0.09%)
Germain Carrière Town of Mount Royal, Québec Canada Proposed Director	Retired since September 2009.	34,235 Amalco Subordinate Voting Shares[(5)] (0.06%)	34,235 Amalco Subordinate Voting Shares[(5)] (0.06%)
Nathalie Boucher Trois-Rivières, Québec Canada Proposed Executive Officer	Director, Research and Intellectual Property of Devonian since May 18, 2015. Lecturer at Université of Québec at Trois-Rivières since September 2011.	Nil	Nil

Notes:

(1) These percentages are based on the aggregate number of Amalco Multiple Voting Shares and/or Amalco Subordinate Exchangeable Voting Shares of the Resulting and/or Amalco Subordinate Voting Shares held by these persons divided by the aggregate number of Amalco Shares issued and outstanding upon the Closing Date.

(2) Assuming no subscription of Units by this person under the Offering. This percentage is calculated on a partially diluted basis prior to any issue of securities issuable upon exercise of the Orletto Existing Options, the Devonian Existing Warrants but after the conversion of the Devonian Existing Debentures in principal and interest (assuming conversion on March 31, 2017), at a discount of 15% or 20% of the Offering Price depending on their issue date and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering.

(3) Of this number, 987 Amalco Multiple Voting Shares will be held by Mr. André P. Boulet directly and 19,965,536 Amalco Multiple Voting Shares will be held by 9099-3452 Québec Inc., a corporation whose principal shareholder is Fiducie André Boulet, a trust whose trustee is Mr. André P. Boulet.

(4) Assuming the conversion of the Devonian Existing Debenture totalling $20,000 held by Mr. Pierre Colas, in principal and interest due as at March 31, 2017, at a discount of 20% of the Offering Price. Assuming conversion of the 50,000 Orletto Existing Shares held by Mr. Pierre Colas on the Effective Date of the Amalgamation.

(5) Assuming the conversion of the Devonian Existing Debenture totalling $20,000 held by Mr. Germain Carrière, in principal and interest due as at March 31, 2017, at a discount of 15% of the Offering Price.

The proposed members of the audit committee of the Resulting Issuer will be Messrs. Matthew Peppler, Pierre Colas and Germain Carrière.

Following the completion of the Transaction, the proposed directors and officers of the Resulting Issuer, as a group, will beneficially own, control or direct, directly or indirectly 21,322,804 Amalco Shares, representing 38.17% of the then outstanding Amalco Shares assuming the completion of the Minimum Offering, (34.85% assuming completion of the Maximum Offering) the Amalgamation and the conversion of the Devonian Existing Debentures in principal and interest due as at March 31, 2017, at a discount of 15% or 20% of the Offering Price depending on their issue date, but prior to any issue of securities issuable upon exercise of the Orletto Existing Options and the Devonian Existing Warrants and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering and assuming that no Units are purchased by such proposed directors and officers under this Offering (28.63% on a fully diluted basis assuming completion of the Minimum Offering and 24.58% on a fully diluted basis assuming completion of the Maximum Offering).

Management and Key Personnel

For information on the biographies of the management and key personnel of the Resulting Issuer, see "Information Concerning Devonian — Directors' and Executive Officers' Biographies".

Promoter

Mr. André P. Boulet will be considered the Promoter of the Resulting Issuer in that he took the initiative in founding and organizing Devonian and completing the Transaction. Mr. Boulet will beneficially own, control or direct, directly or indirectly, 19,966,523 of the Amalco Shares representing 35.74% of the then outstanding Amalco Shares assuming the completion of the Minimum Offering (32.63% assuming completion of the Maximum Offering), the Amalgamation and the conversion of the Devonian Existing Debentures in principal and interest due as at March 31, 2017, at a discount of 15% or 20% of the Offering Price depending on their issue date, but prior to any issue of securities issuable upon exercise of the Orletto Existing Options and the Devonian Existing Warrants and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering and assuming that no Units are purchased by such person under the Offering (26.80% on a fully diluted basis assuming completion of the Minimum Offering and 23.01% on a fully diluted basis assuming completion of the Maximum Offering).

Corporate Cease Trade Orders or Bankruptcies

No proposed director, officer or Promoter of the Resulting Issuer, nor a securityholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has, within ten years before the date hereof, been a director, officer or Promoter of any person or company that, while such person was acting in that capacity:

(a) was the subject of a cease trade or similar order or an order that denied the other issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No proposed director, officer or Promoter of the Resulting Issuer, nor a securityholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has been:

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

(b) subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable securityholder making a decision about an investment in the Amalco Subordinate Voting Shares or the Transaction.

Notwithstanding the above, Mr. Germain Carrière, has been a director of Pacific International Securities Inc. from May 1998 to November 2002 and entered into a settlement agreement with the Executive Director of the British Columbia Securities Commission on September 6, 2002. This settlement agreement has been entered into following the acknowledgement of Mr. Carrière of certain deficiencies in Pacific International Securities Inc.'s compliance procedures. Mr. Carrière agreed to pay the British Columbia Securities Commission $5,000 as part of the agreement, $4,000 of which represented a contribution towards the investigative costs. Despite such settlement agreement, on September 1, 2006, a majority decision has been rendered pursuant to Section 161 of the *Securities Act* (British Columbia) which found that the Executive Director did not prove any of the allegations against the respondents, which initially included Mr. Carrière. The Executive Director alleged that the respondents contravened the know your client rule (section 48 of the Securities Rules, BC Reg 194/97), the business procedures rule (section 44 of the Rules) and acted contrary to the public interest.

Notwithstanding the above, Mr. André P. Boulet was a senior officer and a director of Bioxel Pharma Inc. ("Bioxel") from November, 2000 to December, 2008. On December 12, 2008, Bioxel announced that it had filed a petition seeking protection under the *Companies' Creditors Arrangement Act*. On April 9, 2009, Bioxel made a voluntary assignment in bankruptcy in accordance with the *Bankruptcy and Insolvency Act*.

Personal Bankruptcies

No proposed director, officer or Promoter of the Resulting Issuer, nor a securityholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons, has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the its assets.

Conflicts of Interest

There are potential conflicts of interest to which some of the directors, officers and Promoter of the Resulting Issuer will be subject in connection with the operations of the Resulting Issuer. All of the directors, officers and Promoter are engaged in and will continue to be engaged in companies or businesses which may be in competition with the business of the Resulting Issuer. Accordingly, situations may arise where some or all of the directors, officers and Promoter will be in direct competition with the Resulting Issuer. Conflicts, if any, will be subject to the procedures and remedies provided under the CBCA.

Other Reporting Issuer Experience

The following table sets out the proposed officers, directors and Promoter of the Resulting Issuer that are, or have been within the last five years, directors, officers or Promoters of other reporting issuers.

Name	Name and Jurisdiction of Reporting Issuer	Exchange	Position	From	To
Pierre Colas	Komet Resources Inc.	TSXV	Director	January 2015	now
	Beaufield Resources Inc.	TSXV	Director	April 2014	November 2015
Germain Carrière	TSO_3 Inc.	TSX	Director	June 1998	now
	Midland Exploration Inc.	TSX	Director	January 2005	now

STATEMENT OF EXECUTIVE COMPENSATION

The compensation for the executive officers and directors of the Resulting Issuer has not yet been determined. It is anticipated that such compensation will be determined at the time of the Amalgamation. Orletto and Devonian are of the view that the compensation of the executive officers will be similar to the compensation they had in their positions with Devonian prior to the completion of the Transaction. For more information see "Information Concerning Devonian – Statement of Executive Compensation".

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No current director or executive officer of Orletto or Devonian, no proposed director or executive officer of the Resulting Issuer, and no Associate of any such director or executive officer, is indebted to Orletto or Devonian or has any indebtedness to another entity that is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Orletto or Devonian.

OPTIONS TO PURCHASE SECURITIES

Options to Purchase Securities

The following table provides information as to options to purchase securities of the Resulting Issuer that will be outstanding following completion of the Transaction, including options to be granted concurrent with the Offering. Upon completion of the Transaction, no options to purchase securities of the Resulting Issuer will have been granted to proposed executive officers and directors of the Resulting Issuer. However, the board of directors of the Resulting Issuer will consider the grant of options to such persons pursuant to the New Stock Option Plan in the foreseeable future.

Category	Designation of Class	Number of Amalco Shares under Options After Giving Effect to the Transaction and the Minimum Offering	Number of Amalco Shares under Options After Giving Effect to the Transaction and the Maximum Offering	Exercise Price	Expiry Date	Market Value on the Date of Grant
Proposed executive officers of the Resulting Issuer as a group	-	-	-	-	-	-
Proposed directors of the Resulting Issuer who are not also proposed executive officers	-	-	-	-	-	-
Agent under the Offering	Option	800,000	1,333,333[1]	$0.75	24 months from the Closing Date	$0.75
Executive officers of Orletto (3 persons)[2]	Options	120,000	120,000	$0.27	September 9, 2019	$0.27[4]
Directors of Orletto who are not also executive officers of Orletto (2 persons)[3]	Options	80,000	80,000	$0.27	September 9, 2019	$0.27[4]
Total		**1,000,000**	**1,533,333**			

Notes:

(1) Assuming no exercise of the Over-Allotment Option under the Offering.
(2) These Orletto Existing Options were granted to Messrs. Benoit Chotard, Normand Drolet and Richard Provencher upon closing of the Orletto Initial Public Offering.
(3) These Orletto Existing Options were granted to Mr. Octavio Soares and Ms. Cynthia Mailloux upon closing of the Orletto Initial Public Offering.
(4) Adjusted market value taking into consideration the conversion of the Orletto Existing Options.

Upon completion of the Transaction, the 549,300 Orletto Existing Options which have been granted to directors and officers of Orletto under the Orletto Stock Option Plan will be converted into 200,000 Amalco Orletto Options under the New Stock Option Plan (see description of such plan below). Each Orletto Existing Option outstanding immediately prior to the Amalgamation will be converted into 0.364099763 Amalco Orletto Option on the Effective Date of the Amalgamation. Each full Amalco Orletto Option will entitle its holder thereof to acquire one Amalco Subordinate Voting Share, at a price of $0.27 per Amalco Subordinate Voting Share, until September 9, 2019.

New Stock Option Plan

On November 25, 2016, the Orletto Shareholders passed a resolution concerning the approbation of the New Stock Option Plan. The board of directors of Orletto have previously approved the adoption of the New Stock Option Plan, subject to completion of the Transaction. The TSXV requires all listed companies proposing to grant stock options to its directors, employees and consultants to adopt a stock option plan in accordance with the policies of the TSXV.

The material terms of the New Stock Option Plan are as follows:

1. A maximum of 10% of the issued Amalco Subordinate Voting Shares being outstanding from time to time is reserved for the grant of stock options pursuant to the Plan.

2. The board of directors may, in its sole discretion, determine to which eligible participants stock options will be granted and the number of shares reserved for issuance pursuant to the stock options.

3. Subject to provisions of the New Stock Option Plan, the expiry date of a stock option shall be the 10th anniversary of the date of grant unless a shorter period of time is otherwise set by the board of directors and set forth in the notice of grant at the time the particular stock option is granted.

4. The expiry date of any stock options that expires during a blackout period or within 10 days following the end of such period, as set forth under the corporation's internal policies, as amended from time to time, will be extended for a period of ten business days following the end of such blackout period.

5. The vesting dates of the stock options shall correspond to the vesting periods determined by the Board at the time of grant of such stock options, as set out in the notice of grant.

6. The board of directors, in its sole discretion, determines the exercise price of the shares underlying the stock options which exercise price shall not be lower than $0.05 per share in accordance with the policies of the TSXV. Subject to provisions of the TSXV *Corporate Finance Manual* respecting options granted within 90 days of a distribution by a prospectus, the exercise price is established based on the market price of the Amalco Subordinate Voting Shares at the closing of the TSXV on the exchange day immediately preceding the date of grant, provided that if the stock options were granted to an officer, a director or a person employed to provide investor relations activities, a news release was issued to fix the price or if no Amalco Subordinate Voting Share were negotiated on this day, the arithmetic average of the last bid and ask prices of the Amalco Subordinate Voting Shares on the TSXV.

7. Stock options (and any rights thereunder) shall be non-assignable and non-transferable unless by legacy or inheritance. Stock options may be exercised only by the optionholder's legal representative within the first year following the optionholder's death.

8. No stock option may be granted to an eligible participant if the Amalco Subordinate Voting Shares reserved for issuance with respect to such grant and the stock options already granted exceed in a 12 month period 5% of all the issued and outstanding Amalco Subordinate Voting Shares, calculated on the date of grant of such stock options unless the corporation becomes à Tier 1 issuer and has obtained the requisite disinterested shareholder approval in accordance with the policies of the TSXV.

9. The number of stock options to be granted to any consultant in a 12 month period must not exceed 2% of all the issued and outstanding Amalco Subordinate Voting Shares, calculated on the date of grant of such stock options to such consultant.

10. The number of stock options to be granted to any person employed to provide investor relations activities in a 12 month period must not exceed 2% of all the issued and outstanding Amalco Subordinate Voting Shares, calculated on the date of grant of such stock options. Stock options granted to consultants performing investor relations activities must vest in stages over 12 months with no more than ¼ of the stock options vesting in any three month period.

11. The expiry date of a stock option held by an optionholder that became vested prior to his or her death shall be the earlier of:

    (i) the expiry date shown on the relevant notice of grant; or

    (ii) one year following the optionholder's death.

12. Should a person employed to perform investor relations activities cease to be an eligible participant for any reason other than death (such as by reason of disability, resignation, dismissal or termination of contract), then the expiry date of its stock option vested at the latest on the date such person ceases to be an eligible participant (the "Date of Termination of Investor Relations Activities"), shall be the earlier of:

    (i) the expiry date shown on the relevant notice of grant; or

    (ii) 30 days from the Date of Termination of Investor Relations Activities.

13. Should a person cease to be an eligible participant for any reason other than death or the termination of investor relations activities (such as by reason of disability, resignation, dismissal or termination of contract), then the expiry date of its stock option vested at the latest on the date such person ceases to be an eligible participant (the "Termination Date"), shall be the earlier of:

    (i) the expiry date shown on the relevant notice of grant; or

    (ii) one year from the Termination Date.

Pursuant to the policies of the TSXV, the New Stock Option Plan must be approved each year by the corporation's shareholders at the annual general meeting of shareholders of the corporation.

ESCROWED SECURITIES

The current escrow agent of Orletto is CST. Following the completion of the Transaction, CST, at 2001 Robert-Bourassa Blvd, Suite 1600, Montréal, Québec H3A 2A6, will continue to act as the escrow agent of the Resulting Issuer.

As required by the Applicable Securities Regulations, the shareholders listed below will enter into an escrow agreement with CST and the Resulting Issuer (the "Resulting Issuer Escrow Agreement"), pursuant to which they will deposit the 19,966,523 Amalco Multiple Voting Shares, the 327,978 Amalco Subordinate Voting Shares, the 1,028,303 Amalco Subordinate Exchangeable Voting Shares of the Resulting and the 1,302,625 Amalco Warrants described below (the "New Escrowed Securities") into escrow with CST.

Upon completion of the Transaction, and as required by the Applicable Securities Regulations, the Resulting Issuer will qualify as an emerging issuer (being a TSXV Tier 2 issuer). The Resulting Issuer Escrow Agreement will provide for a release under escrow of the New Escrowed Securities in accordance with the following schedule: 10% being released at the time the Resulting Issuer's securities are listed on a Canadian exchange (the "listing date"), 15% being released 6 months thereafter, 15% being released 12 months thereafter, 15% being released 18 months thereafter, 15% being released 24 months thereafter, 15% being released 30 months thereafter and the remaining 15% being released 36 months thereafter.

The New Escrowed Securities can only be transferred in accordance with the terms and conditions of the Resulting Issuer Escrow Agreement.

The following table provides details of all New Escrowed Securities that will be held in escrow pursuant to the Resulting Issuer Escrow Agreement after giving effect to the Transaction.

Name and Municipality of Residence of Securityholder	Prior to Giving Effect to the Transaction		After Giving Effect to the Transaction		
	Number and Designation of Securities Held in Escrow	Percentage of Class	Number and Designation of Securities Held in Escrow	Percentage of Class After Giving Effect to the Amalgamation and the Minimum Offering[(1)]	Percentage of Total After Giving Effect to the Amalgamation and the Maximum Offering[(1)]
9099-3452 Québec Inc.[(2)] Blainville, Québec, Canada	Nil	Nil	19,965,536 Amalco Multiple Voting Shares	35.74%[(3)]	32.63%[(3)]
André P. Boulet Blainville, Québec, Canada	Nil	Nil	987 Amalco Multiple Voting Shares	0.002%[(3)]	0.002%[(3)]
Matthew Peppler Boca Raton, Florida, United States	Nil	Nil	1,013,739 Amalco Subordinate Exchangeable Voting Shares 253,435 Amalco Subordinate Voting Shares 1,267,174 Amalco Warrants[(4)]	2.27%[(3)] 7.80%[(5)]	2.07%[(3)] 6.36%[(5)]
Pierre Colas Outremont, Québec, Canada	Nil	Nil	40,308 Amalco Subordinate Voting Shares 14,564 Amalco Subordinate Exchangeable Voting Shares 18,334 Amalco Warrants[(4)]	0.10%[(3)] 0.12%[(5)]	0.09%[(3)] 0.09%[(5)]
Germain Carrière Montréal, Québec, Canada	Nil	Nil	34,235 Amalco Subordinate Voting Shares 17,117 Amalco Warrants[(4)]	0.06%[(3)] 0.11%[(5)]	0.06%[(3)] 0.09%[(5)]
Theophilus J. Gana, MD, PhD Leesburg, Virginia, United States	Nil	Nil	13,744 Amalco Subordinate Voting Shares 54,977 Amalco Subordinate Exchangeable Voting Shares	0.12%[(3)]	0.11%[(3)]

Notes:

(1) Assuming no subscription of Units by this person under the Offering. This percentage is calculated on a partially diluted basis prior to any issue of securities issuable upon exercise of the Orletto Existing Options, the Devonian Existing Warrants but after the conversion of the Devonian Existing Debentures in principal and interest (assuming conversion on March 31, 2017), at a discount of 15% or 20% of the Offering Price depending on their issue date and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering.

(2) The principal shareholder of this corporation is Fiducie André Boulet, a trust whose trustee is Mr. André P. Boulet.

(3) These percentages are based on the aggregate number of Amalco Multiple Voting Shares and/or Amalco Subordinate Exchangeable Voting Shares of the Resulting and/or Amalco Subordinate Voting Shares held by these persons divided by the aggregate number of Amalco Shares issued and outstanding upon the Closing Date.

(4) In addition and following the completion of the Transaction, any Amalco Subordinate Voting Shares to be issued pursuant to the exercise of the Amalco Warrants will be governed by the terms and conditions of the Resulting Issuer Escrow Agreement.

(5) These percentages are based on the aggregate number of warrants held by these persons divided by the aggregate number of Amalco Warrants issued and outstanding upon the Closing Date.

Pursuant to the terms of the Orletto Escrow Agreement entered into between Orletto, CST and each of the Orletto Shareholders listed below, the Orletto Escrowed Shares will be released from escrow as follows: (i) 10% of the Orletto Escrowed Shares at the time of the Final Exchange Bulletin; and (ii) 15% every six months thereafter. The following table provides details of all Orletto Escrowed Shares held in escrow prior to and after giving effect to the Transaction.

	Prior to Giving Effect to the Transaction		**After Giving Effect to the Transaction**		
Name and Municipality of Residence of Securityholder	**Number and Designation of Securities Held in Escrow**	**Percentage of Class[(1)]**	**Number and Designation of Securities Held in Escrow**	**Percentage of Class After Giving Effect to the Amalgamation and the Minimum Offering [(2)(3)]**	**Percentage of Total After Giving Effect to the Amalgamation and the Maximum Offering[(2)(3)]**
Benoit Chotard Burnaby, British Columbia	400,000 Orletto Escrowed Shares	7.28%	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares	0.26%	0.24%
Normand Drolet Magog, Québec	400,000 Orletto Escrowed Shares	7.28%	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares	0.26%	0.24%
Octavio Soares Québec, Québec	400,000 Orletto Escrowed Shares	7.28%	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares	0.26%	0.24%
Cynthia Mailloux Québec, Québec	400,000 Orletto Escrowed Shares	7.28%	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares	0.26%	0.24%
Richard Provencher Québec, Québec	400,000 Orletto Escrowed Shares	7.28%	116,512 Amalco Subordinate Exchangeable Voting Shares 29,128 Amalco Subordinate Voting Shares	0.26%	0.24%
Dominique Naud Québec, Québec	50,000 Orletto Escrowed Shares	0.91%	14,564 Amalco Subordinate Exchangeable Voting Shares 3,641 Amalco Subordinate Voting Shares	0.03%	0.03%

Name and Municipality of Residence of Securityholder	Prior to Giving Effect to the Transaction		After Giving Effect to the Transaction		
	Number and Designation of Securities Held in Escrow	Percentage of Class[(1)]	Number and Designation of Securities Held in Escrow	Percentage of Class After Giving Effect to the Amalgamation and the Minimum Offering[(2)(3)]	Percentage of Total After Giving Effect to the Amalgamation and the Maximum Offering[(2)(3)]
Isabelle Fafard Magog, Québec	50,000 Orletto Escrowed Shares	0.91%	14,564 Amalco Subordinate Exchangeable Voting Shares 3,641 Amalco Subordinate Voting Shares	0.03%	0.03%

Notes:

(1) These percentages are calculated on a non-diluted basis and assuming no exercise of the Orletto Existing Options.
(2) Assuming no subscription of Units by these persons under the Offering. These percentages are calculated on a partially diluted basis prior to any issue of securities issuable upon exercise of the Orletto Existing Options, the Devonian Existing Warrants but after the conversion of the Devonian Existing Debentures in principal and interest (assuming conversion on March 31, 2017), at a discount of 15% or 20% of the Offering Price depending on their issue date and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering.
(3) These percentages are based on the aggregate number of Amalco Subordinate Exchangeable Voting Shares of the Resulting and Amalco Subordinate Voting Shares held by these persons divided by the aggregate number of Amalco Shares issued and outstanding upon the Closing Date.

AUDIT COMMITTEE

The Resulting Issuer will be required to have an audit committee comprised of not less than three directors, a majority of whom are not officers or employees of the applicable entity, or of an affiliate of the applicable entity. The proposed members of the audit committee of the Resulting Issuer will be Messrs. Matthew Peppler, Pierre Colas and Germain Carrière.

CORPORATE GOVERNANCE

It is expected that, upon completion of the Transaction the board of directors of the Resulting Issuer will establish the appropriate committees, rules and guidelines in order to comply with *Regulation 58-101 respecting Disclosure of Corporate Governance Practices* and Policy 3.1 of the TSXV's *Corporate Finance Manual*.

MATERIAL CONTRACTS

Upon completion of the Transaction, it is expected that the material contracts of Orletto and the material contracts of Devonian will be considered as contracts that will have been entered into other than in the ordinary course of business of the Resulting Issuer. See "Information Concerning Orletto – Material Contracts" and "Information Concerning Devonian – Material Contracts". In addition, upon completion of the Transaction the following contracts will be considered as contracts that will have been entered into other than in the ordinary course of business of the Resulting Issuer:

(a) the Warrant Indenture. See " Information Concerning the Resulting Issuer - Description of the Resulting Issuer Securities - Summary of Rights, Privileges, Restrictions and Conditions of Convertible Securities of the Resulting Issuer";

(b) the Resulting Issuer Escrow Agreement. See "Information Concerning the Resulting Issuer - Escrowed Securities";

(c) the Agency Agreement. See " Information Concerning Orletto – Plan of Distribution";

(d) the Agreement in Principle;

(e) the Coattail Agreement; and

(f) the Amalgamation Agreement.

Copies of these material contracts will be available for inspection without charge at the offices of Orletto's counsel, Stein Monast L.L.P., at 70 Dalhousie Street, Suite 300, Québec, Québec G1K 4B2, at any time during ordinary business hours up to and including the Effective Date of the Amalgamation, as well as for a period of 30 days thereafter. Please contact Richard Provencher at (418) 640-4427.

PROMOTER

Mr. André P. Boulet will be considered the Promoter of the Resulting Issuer in that he took the initiative in founding and organizing Devonian and completing the Transaction. Mr. Boulet will beneficially own, control or direct, directly or indirectly, 19,966,523 of the Amalco Shares representing 35.74% of the then outstanding Amalco Shares assuming the completion of the Minimum Offering (32.63% assuming completion of the Maximum Offering), the Amalgamation and the conversion of the Devonian Existing Debentures in principal and interest due as at March 31, 2017, at a discount of 15% or 20% of the Offering Price depending on their issue date, but prior to any issue of securities issuable upon exercise of the Orletto Existing Options and the Devonian Existing Warrants and assuming no exercise of the Over-Allotment Option, of the Agent's Option and of the Warrants issued in connection with the Offering and assuming that no Units are purchased by such person under the Offering (26.80% on a fully diluted basis assuming completion of the Minimum Offering and 23.01% on a fully diluted basis assuming completion of the Maximum Offering).

AUDITORS, TRANSFER AGENT AND REGISTRAR

Following the completion of the Transaction, the auditors of the Resulting Issuer will be Deloitte LLP, Chartered Professional Accountants, at their offices located at 1190 avenue des Canadiens-de-Montréal, Suite 500, Montréal, Québec H3B 0M7.

The Resulting Issuer's transfer agent and registrar will be CST. The register of transfers of the Amalco Shares will be held at CST's offices located in its place of business at 2001 Robert-Bourassa Blvd., Suite 1600, Montréal, Québec H3A 2A6.

RISK FACTORS

An investment in the Units offered hereunder must be considered highly speculative and, given the nature of the business of the Resulting Issuer following the completion of the Qualifying Transaction, it involves a high degree of risk. An investment in the Units is acceptable only for experienced investors who are prepared to risk losing their entire investment. Investors should consult their professional advisors to assess an investment in the Units. The following is a description of the principal risk factors affecting Devonian and, following the Transaction, the Resulting Issuer (for the purposes of this section, "Devonian" or the "Corporation"). If the Transaction is successfully completed, the Resulting Issuer will carry on the business of Devonian. The expression "common share" used in this section referred to the Orletto Share or, upon completion of the Transaction, the Amalco Subordinate Voting Shares.

Risks Related to Product Development, Regulatory Approval and Commercialization

The Corporation's prospects currently depend mainly on the success of Thykamine[tm], which is still in clinical development, and the Corporation may not be able to generate revenues from Thykamine[tm].

The Corporation has no prescription drug products that have been approved by the FDA, Health Canada or any similar regulatory authority. The Corporation's only prescription drug candidate is Thykamine[tm], for which the Corporation has not yet filed an NDA, and for which the Corporation must still undergo further development activities and seek and receive regulatory approval prior to commercial launch, which the Corporation does not anticipate will occur until 2020 at the earliest. The Corporation does not have any other prescription drug candidates in development and, therefore, the Corporation's business prospects currently depend entirely on the successful development, regulatory approval and commercialization of Thykamine[tm], which may never occur. Most prescription drug candidates never reach the clinical development stage and even those that do reach clinical development have only a small chance of successfully completing clinical development and gaining regulatory approval. If the Corporation is unable to successfully commercialize Thykamine[tm] for the treatment of active mild-to-moderate distal ulcerative colitis and mild-to-moderate atopic dermatitis, it may never generate meaningful revenues. In addition, if Thykamine[tm] reaches commercialization and there is low market demand for Thykamine[tm] or the market for Thykamine[tm] develops less rapidly than the Corporation anticipates, the Corporation may not have the ability to shift its resources to the development of alternative products.

The Corporation may not be able to obtain required regulatory approvals for Thykamine[tm].

The research, testing, manufacturing, labeling, packaging, storage, approval, sale, marketing, advertising and promotion, pricing, export, import and distribution of prescription drug products are subject to extensive regulation by the FDA, Health Canada and other regulatory authorities in the United States and Canada, and other countries and those regulations differ from country to country. Devonian is not permitted to market Thykamine[tm] in the United States until it receives approval of an NDA from the FDA and similar restrictions apply in other countries. In the United States, the FDA generally requires the completion of preclinical testing and clinical trials of each drug to establish its safety and efficacy and extensive pharmaceutical development to ensure its quality before an NDA is approved. Regulatory authorities in other jurisdictions impose similar requirements. Of the large number of drugs in development, only a small percentage result in the submission of an NDA to the FDA and even fewer are approved for commercialization. To date, the Corporation has not submitted an NDA for Thykamine[tm] to the FDA or comparable applications to other regulatory authorities. If the Corporation's development efforts for Thykamine[tm], are not successful for the treatment of active mild-to-moderate distal ulcerative colitis and mild-to-moderate atopic dermatitis, and regulatory approval is not obtained in a timely fashion or at all, the Corporation's business will be materially adversely affected.

The receipt of required regulatory approvals for Thykamine[tm] is uncertain and subject to a number of risks, including the following:

- the FDA, Health Canada or comparable foreign regulatory authorities or IRBs may disagree with the design or implementation of the Corporation's clinical trials;

- the Corporation may not be able to provide acceptable evidence of the safety and efficacy of Thykamine[tm];

- the results of the Corporation's clinical trials may not meet the level of statistical or clinical significance required by the FDA, Health Canada or other regulatory agencies for marketing approval;

- the dosing of Thykamine[tm] in a particular clinical trial may not be at an optimal level;

- patients in the Corporation's clinical trials may suffer adverse effects for reasons that may or may not be related to Thykamine[tm];

- the data collected from the Corporation's clinical trials may not be sufficient to support the submission of an NDA for Thykamine[tm] or to obtain regulatory approval for Thykamine[tm] in the United States or elsewhere;

- the FDA, Health Canada or comparable foreign regulatory authorities may not approve the manufacturing processes and/or facilities of the Corporation or third-party manufacturers with which the Corporation contracts for clinical and commercial supplies; and

- the approval policies or regulations of the FDA, Health Canada or comparable foreign regulatory authorities may significantly change in a manner rendering the Corporation's clinical data insufficient for approval.

The FDA, Health Canada and other regulators have substantial discretion in the approval process and may refuse to accept any application or may decide that the Corporation's data is insufficient for approval and require additional clinical trials, or preclinical or other studies. In addition, varying interpretations of the data obtained from preclinical studies and clinical trials could delay, limit or prevent regulatory approval of Thykamine[tm]. Furthermore, the process of obtaining regulatory approvals is expensive, often takes many years, if approval is obtained at all, and can vary substantially based upon, among other things, the type, complexity and novelty of the prescription drug candidates involved, the jurisdiction in which regulatory approval is sought and the substantial discretion of the regulatory authorities. Changes in the regulatory approval policy during the development period, changes in or the enactment of additional statutes or regulations, or changes in regulatory review for a submitted product application may cause delays in the approval or rejection of an application. If regulatory approval is obtained in one jurisdiction that does not necessarily mean that Thykamine[tm] will receive regulatory approval in all jurisdictions in which the Corporation may seek approval. The failure to obtain approval for Thykamine[tm] in one or more jurisdictions may negatively impact the Corporation's ability to obtain approval in a different jurisdiction. A failure to obtain regulatory marketing approval for Thykamine[tm] in any indication would prevent the Corporation from commercializing Thykamine[tm], and the Corporation's ability to generate revenue would be materially impaired.

The Corporation may be unable to develop alternative product candidates.

To date, the Corporation has not commercialized any prescription drug and does not have any other compounds in clinical trials, nonclinical testing, lead optimization or lead identification stages besides Thykamine[tm]. The Corporation cannot be certain that Thykamine[tm] will prove to be sufficiently effective and safe to meet applicable regulatory standards for any indication. If the Corporation fails to successfully commercialize Thykamine[tm] as a treatment for active mild-to-moderate distal ulcerative colitis and mild-to-moderate atopic dermatitis, or any other anti-inflammatory indication(s), whether as a stand-alone therapy or in combination with other treatments, the Corporation would have to develop, acquire or license alternative product candidates or drug compounds to expand its product candidate pipeline beyond Thykamine[tm]. In such a scenario, the Corporation may not be able to identify and acquire product candidates that prove to be successful products, or to acquire them on terms that are acceptable to the Corporation.

To market and sell Thykamine[tm] and the derma-cosmeceutical product candidates if and when approved or cleared, the Corporation plans to depend on third-party strategic collaborators, and they may not be successful.

The Corporation will be substantially dependent on third-party strategic collaborators to codevelop, market and sell Thykamine[tm] and the derma-cosmeceutical products. If these strategic collaborators are not successful in selling these products, the Corporation may be unable to generate revenues. As the Corporation grows, it will need to attract additional strategic collaborators to assist in commercializing those products that the Corporation choose not to sell directly, in certain geographic areas or at all, including Thykamine[tm]. The strategic collaborators may not commit the necessary resources to market and sell the products or prioritize the sale of the products. If current or future strategic collaborators do not perform adequately or if the Corporation is unable to locate strategic collaborators in particular geographic areas, the Corporation may not realize revenues. Furthermore, exclusivity arrangements with current and future strategic collaborators may prevent the Corporation from securing new strategic collaborators for certain products and/or geographic areas. If the current and future strategic collaborators fail to meet sales thresholds, the Corporation's revenue streams generated from such collaborations may be materially impaired.

In addition, conflicts may arise with strategic collaborators, such as conflicts concerning the interpretation of clinical data, differences in the pursuit of regulatory approval or clearance pathways, the achievement of milestones, the interpretation of financial provisions or the ownership of intellectual property. The Corporation's future strategic collaborators may choose to focus their development and sales efforts on their own proprietary products and technology, which may divert attention and resources away from the joint development and sales efforts. If any conflicts arise with future strategic collaborators, they may act in their self-interest, which may be adverse to the Corporation's best interest. If the Corporation or its strategic collaborators are unable to develop or commercialize the products, or if conflicts arise with the strategic collaborators, the Corporation will be delayed or prevented from developing and commercializing products which will harm the business and financial results.

A breakthrough therapy designation by the FDA for Thykamine[tm] may not lead to a faster development or regulatory review or approval process, and it does not increase the likelihood that Thykamine[tm] will receive marketing approval.

The Corporation intends to seek a "breakthrough therapy" designation for Thykamine[tm] for the treatment of active mild-to-moderate distal ulcerative colitis, and may do so for other product candidates as well. A breakthrough therapy is defined as a drug that is intended, alone or in combination with one or more other drugs, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints. For product candidates that have been designated as breakthrough therapies, interaction and communication between the FDA and the sponsor of the product can help to identify the most efficient path for clinical development while minimizing the number of patients placed in ineffective control regimens. Product candidates designated as breakthrough therapies by the FDA are also eligible for accelerated approval.

Designation as a breakthrough therapy is within the discretion of the FDA but the sponsor must apply for the designation. Accordingly, even if Devonian believe Thykamine[tm] for the treatment of active mild-to-moderate distal ulcerative colitis or another product candidate meets the criteria for designation as a breakthrough therapy, the FDA may disagree and instead determine not to make such designation. The availability of breakthrough therapy designation was established with the passage of the *Food and Drug Administration Safety and Innovation Act* of 2012, and while the FDA has released guidance as to the criteria it uses in designating drugs as breakthrough therapies, Devonian cannot be sure that its product candidate will meet the FDA's qualifying criteria for such designation. In any event, the receipt of a breakthrough therapy designation for a product candidate may not result in a faster development process, review or approval process compared to drugs considered for approval under the standard FDA development/review/approval process and does not assure ultimate approval by the FDA. In addition, even if one or more of the Corporation's product candidates qualify as breakthrough therapies, the FDA may later decide that the products no longer meet the conditions for qualification or decide that the time period for FDA review or approval will not be shortened.

A fast track designation by the FDA may not actually lead to a faster development, regulatory review or approval process.

If the Corporation does not succeed with its breakthrough designation, Devonian intends to seek fast track designation for Thykamine[tm] for the treatment of active mild-to-moderate ulcerative colitis. If a drug is intended for the treatment of a serious or life-threatening condition and the drug demonstrates the potential to address unmet medical needs for this condition, the sponsor may apply for FDA fast track designation. The FDA has broad discretion whether or not to grant this designation, and even if Devonian believes Thykamine[tm] or another product candidate is eligible for this designation, Devonian cannot be sure that the FDA would decide to grant it. Even if Devonian does receive fast track designation, Devonian may not experience a faster development process, review or approval process compared to the standard development/review/approval FDA process. The FDA may withdraw fast track designation if it believes that the designation is no longer supported by data from the Corporation's clinical development program.

The Corporation faces intense competition from other biotechnology and pharmaceutical companies and its operating results will suffer if the Corporation fails to compete effectively.

The pharmaceutical industry is intensely competitive and subject to rapid and significant technological change. The Corporation's potential competitors in the United States, Canada and globally include large, well-established pharmaceutical companies, specialty pharmaceutical sales and marketing companies and specialized chronic inflammatory diseases' treatment companies. Many of these competitors have substantially greater name recognition, commercial infrastructures and financial, technical and personnel resources than the Corporation. Companies involved in the treatment of chronic inflammatory diseases include, among others, Abbvie, AstraZeneca, Biogen, Boehringer Ingelheim, Bristol-Meyers Squibb, Genentech, Glaxo Smith Kline, Merck & Co, Novartis, Pfizer, Roche, and Sanofi.

Other competitive factors, including generic drug competition, could force the Corporation to lower prices or could result in reduced sales. In addition, new products developed by others could emerge as competitors to Thykamine[tm]. If the Corporation is not able to compete effectively against its current and future competitors, its business will not grow and its financial condition and operations will suffer.

Thykamine[tm], if approved, would be subject to competition from products for which no prescription is required.

If approved by applicable regulatory authorities, Thykamine[tm] will be a prescription-only botanical drug with the following indications:

- Thykamine[tm] Enema: for the treatment of (induction of remission in) active mild-to-moderate distal ulcerative colitis.

- Thykamine[tm] Cream: for the treatment of mild-to-moderate atopic dermatitis.

The recommended treatments for active mild-to-moderate distal ulcerative colitis are the first-line topical aminosalicylates (mesalamines), oral aminosalicylates, topical corticosteroids and biologicals[90]. All these pharmacological and biological agents are only available by prescription. Therefore, Thykamine[tm] if approved for the treatment of active mild-to-moderate distal ulcerative colitis would not be subject to competition from non-prescription over-the-counter (OTC) products.

[90] Kornbluth A, Sachar DB, Practice Parameters Committee of the American College of Gastroenterology. Ulcerative colitis practice guidelines in adults: American College of Gastroenterology, Practice Parameters Committee. [Erratum in: Am J Gastroenterol. 2010 Mar;105(3):500]. Am J Gastroenterol. 2010 Mar;105(3):501-523.

With atopic dermatitis, the situation is different. The recommended standard of care for mild-to-moderate atopic dermatitis are topical moisturizers/emollients and topical corticosteroids[91]. Topical corticosteroids are the mainstay of anti-inflammatory therapy in atopic dermatitis. Because topical moisturizers can themselves reduce inflammation and the severity of atopic dermatitis, and can have a corticosteroid-sparing effect, they can be the main primary treatment for mild disease and are part of the regimen for moderate–to-severe disease. Both these agents are available as prescription products and in various delivery forms including, ointments, creams, lotions, sprays and gels. However, they are also available as non-prescription OTC products for self-treatment. Therefore, Thykamine[tm], if approved for the treatment of mild-to-moderate atopic dermatitis would be subject to competition from these non-prescription OTC topical moisturizers/emollients, OTC topical 0.5 to 1% hydrocortisone, and their OTC combination products.

Even if the Corporation obtains marketing approval for Thykamine[tm], the Corporation will be subject to ongoing obligations and continued regulatory review, which may result in significant additional expense.

Even if the Corporation obtains U.S. regulatory approval and/or Canadian regulatory approval and/or other regulatory approval for Thykamine[tm] for the treatment of active mild-to-moderate distal ulcerative colitis and mild-to-moderate atopic dermatitis, which would not occur until the Corporation successfully completes Phase III clinical trials, the FDA may still impose significant restrictions on its indicated uses or marketing or the conditions of approval, or impose ongoing requirements for potentially costly and time-consuming post-approval studies, including Phase IV clinical trials or clinical outcome studies, and post-marketing surveillance to monitor the safety and efficacy of Thykamine[tm]. Furthermore, even if the Corporation secures U.S. regulatory approval, the Corporation would continue to be subject to ongoing regulatory requirements related to Thykamine[tm] governing manufacturing, labeling, packaging, storage, distribution, safety surveillance, advertising, promotion, recordkeeping and reporting of adverse events and other post-marketing information. These requirements include registration with the FDA, as well as continued compliance with cGCP or cGMP, for any clinical trials that the Corporation conducts post approval.

In addition, if the Corporation becomes a manufacturer of drug products, the Corporation's facility will be subject to continual review and periodic inspections by the FDA and other regulatory authorities for compliance with cGCP or cGMP, conformance to commitments in the approved application, requirements relating to quality control, quality assurance and corresponding maintenance of records and documents.

If the Corporation or a regulatory agency discovers previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, problems with the facility where the product is manufactured, or the Corporation or its manufacturers fail to comply with applicable regulatory requirements, the Corporation may be subject to the following administrative or judicial sanctions:

- restrictions on the marketing or manufacturing of the product, withdrawal of the product from the market, or voluntary or mandatory product recalls;
- issuance of warning letters or untitled letters;
- clinical holds;
- injunctions or the imposition of civil or criminal penalties or monetary fines;
- suspension or withdrawal of regulatory approval;
- suspension of any ongoing clinical trials;
- refusal to approve pending applications or supplements to approved applications filed by the Corporation, or suspension or revocation of product license approvals;
- suspension or imposition of restrictions on operations, including costly new manufacturing requirements; or

[91] Eichenfield LF, Tom WL, Berger TG, Krol A, Paller AS, et al. Guidelines of care for the management of http://www.uspharmacist.com/content/d/consult_your_pharmacist/c/12996/atopic dermatitis: section 2. Management and treatment of atopic dermatitis with topical therapies. J Am Acad Dermatol. 2014 Jul;71(1):116-132.

- product seizure or detention or refusal to permit the import or export of product.

The occurrence of any event or penalty described above may inhibit the Corporation's ability to commercialize Thykamine[tm] and generate revenue. Adverse regulatory action, whether pre- or post-approval, can also potentially lead to product liability claims and increase the Corporation's product liability exposure.

Recently enacted and future legislation may increase the difficulty and cost for the Corporation to obtain marketing approval of and commercialize Thykamine[tm] and affect the prices the Corporation may obtain.

In the United States and some foreign jurisdictions, there have been and the Corporation expects there will continue to be a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval for Thykamine[tm], restrict or regulate post-approval activities and affect the Corporation's ability to profitably sell Thykamine[tm]. Legislative and regulatory proposals have been made to expand post-approval requirements and restrict sales and promotional activities for pharmaceutical products. The Corporation does not know whether additional legislative changes will be enacted, or whether the FDA regulations, guidance or interpretations will be changed, or what the impact of such changes on the marketing approvals of Thykamine[tm], if any, may be. In addition, increased scrutiny by the U.S. Congress of the FDA's approval process may significantly delay or prevent marketing approval, as well as subject the Corporation to more stringent product labeling and post-marketing testing and other requirements.

Across the globe, governments, third party payers and patients are engaged in a persistent initiative to reduce health care costs.

In the United States, the Medicare Modernization Act (the "MMA") changed the way Medicare covers and pays for pharmaceutical products. The legislation expanded Medicare coverage for drug purchases by the elderly and introduced a new reimbursement methodology based on average sales prices for drugs. In addition, this legislation authorized Medicare Part D prescription drug plans to use formularies where they can limit the number of drugs that will be covered in any therapeutic class. As a result of this legislation and the expansion of federal coverage of drug products, the Corporation expects that there will be additional pressure to contain and reduce costs. These cost reduction initiatives and other provisions of this legislation could decrease the coverage and price that the Corporation receives for Thykamine[tm] and could seriously harm its business. While the MMA applies only to drug benefits for Medicare beneficiaries, private health insurance companies often follow Medicare coverage policy and payment limitations in setting their own reimbursement rates, and any reduction in reimbursement that results from the MMA may result in a similar reduction in payments from private health insurance companies.

In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act of 2010 or, collectively, the "Health Care Reform Law", a sweeping law intended to broaden access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against fraud and abuse, add new transparency requirements for healthcare and health insurance industries, impose new taxes and fees on the health industry and impose additional health policy reforms. Effective October 1, 2010, the Health Care Reform Law revised the definition of "average manufacturer price" for reporting purposes, which could increase the amount of Medicaid drug rebates to states. Furthermore, the new law imposed a significant annual fee on companies that manufacture or import branded prescription drug products. Substantial new provisions affecting compliance have also been enacted, which may possibly require the Corporation to modify its business practices with healthcare practitioners.

Despite initiatives to invalidate the Health Care Reform Law, the U.S. Supreme Court has upheld certain key aspects of the legislation, including the requirement that all individuals maintain health insurance coverage or pay a penalty, referred to as the individual mandate. Although there are legal challenges to the Health Care Reform Law in lower courts on other grounds, at this time it appears the implementation of the Health Care Reform Law will continue. The Corporation will not know the full effects of the Health Care Reform Law until applicable federal and state agencies issue regulations or guidance under the new law. Although it is too early to determine the effect of the Health Care Reform Law, the new law appears likely to continue the pressure on pharmaceutical pricing, especially under the Medicare program, and may also increase the Corporation's regulatory burdens and operating costs. The Corporation expects that additional federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, and in turn could significantly reduce the projected value of certain development projects and reduce the Corporation's ability to achieve profitability.

Furthermore, changes in regulatory requirements and guidance may occur and Devonian may need to amend clinical study protocols to reflect these changes. Amendments may require us to resubmit our clinical study protocols to both the regulatory authority and the Institutional Review Boards for review, which may impact the costs, timing or successful completion of a clinical study. In light of widely publicized events concerning the safety risk of certain drug products, regulatory authorities, members of American Congress, the US Government Accountability Office, medical professionals and the general public have raised concerns about potential drug safety issues. These events have resulted in the recall and withdrawal of drug products, revisions to drug labeling that further limit use of the drug products and establishment of risk management programs that may, for instance, restrict distribution of drug products or require safety surveillance and/or patient education. The increased attention to drug safety issues may result in a more cautious approach by the FDA to clinical studies and the drug approval process. Data from clinical studies may receive greater scrutiny with respect to safety, which may make the FDA or other regulatory authorities more likely to terminate or suspend clinical studies before completion, or require longer or additional clinical studies that may result in substantial additional expense and a delay or failure in obtaining approval or receipt of approval for a more limited indication than originally sought.

Given the serious public health risks of high profile adverse safety events with certain drug products, the FDA may require, as a condition of approval, costly risk evaluation and mitigation strategies, which may include safety surveillance, restricted distribution and use, patient education, enhanced labeling, special packaging or labeling, expedited reporting of certain adverse events, preapproval of promotional materials and restrictions on direct-to-consumer advertising.

If the Corporation markets Thykamine^{tm} in a manner that violates healthcare fraud and abuse laws, or if the Corporation violates government price reporting laws, the Corporation may be subject to civil or criminal penalties.

In addition to FDA restrictions on marketing of pharmaceutical products, several other types of federal and state healthcare fraud and abuse laws have been applied in recent years to restrict certain marketing practices in the pharmaceutical industry. These laws include the U.S. Anti-Kickback Statute, U.S. False Claims Act and similar state laws. Because of the breadth of these laws and the narrowness of the safe harbors, it is possible that some of the Corporation's business activities could be subject to challenge under one or more of these laws.

The U.S. Anti-Kickback Statute prohibits, among other things, knowingly and willfully offering, paying, soliciting or receiving any remuneration to induce, or in return for, purchasing, leasing, ordering or arranging for the purchase, lease or order of any healthcare item or service reimbursable under Medicare, Medicaid or other federally financed healthcare programs. This statute has been interpreted broadly to apply to arrangements between pharmaceutical manufacturers on the one hand and prescribers, dispensers, purchasers and formulary managers on the other. Although there are several statutory exemptions and regulatory safe harbors protecting certain common activities from prosecution, the exemptions and safe harbors are drawn narrowly, and practices that involve remuneration intended to induce prescribing, purchasing or recommending drugs reimbursable under federal healthcare programs may be subject to scrutiny if they do not qualify for an exemption or safe harbor. The Corporation's practices may not, in all cases, meet all of the criteria for safe harbor protection from anti-kickback liability. Moreover, recent health care reform legislation has strengthened these laws. For example, the Health Care Reform Law, among other things, amends the intent requirement of the U.S. Anti-Kickback Statute and Criminal Health Care Fraud statutes; a person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it. In addition, the Health Care Reform Law provides that the government may assert that a claim including items or services resulting from a violation of the U.S. Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the U.S. False Claims Act. Federal false claims laws prohibit any person from knowingly presenting, or causing to be presented, a false claim for payment to the federal government or knowingly making, or causing to be made, a false statement to get a false claim paid.

Over the past few years, a number of pharmaceutical and other healthcare companies have been prosecuted under these laws for a variety of alleged promotional and marketing activities, such as: allegedly providing free trips, free goods, sham consulting fees and grants and other monetary benefits to prescribers; reporting to pricing services inflated average wholesale prices that were then used by federal programs to set reimbursement rates; engaging in off-label promotion that caused claims to be submitted to Medicaid for non-covered, off-label uses; and submitting inflated best price information to the Medicaid Rebate Program to reduce liability for Medicaid rebates. Most states also have statutes or regulations similar to the U.S. Anti-Kickback Statute and the U.S. False Claims Act, which apply to items and services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of the payor. Sanctions under these federal and state laws may include civil monetary penalties, exclusion of a manufacturer's products from reimbursement under government programs, criminal fines and imprisonment. Settlements of government litigation may include corporate integrity agreements with commitments for monitoring, training, and reporting designed to prevent future violations.

Third-party coverage and reimbursement and health care cost containment initiatives and treatment guidelines may constrain the Corporation's future revenues.

The Corporation's ability to successfully market Thykamine[tm] will depend in part on the level of reimbursement that government health administration authorities, private health coverage insurers and other organizations provide for the cost of the Corporation's products and related treatments. Countries in which Thykamine[tm] may in the future be sold through reimbursement schemes under national health insurance programs frequently require that manufacturers and sellers of pharmaceutical products obtain governmental approval of initial prices and any subsequent price increases. In certain countries, including the United States, government-funded and private medical care plans can exert significant indirect pressure on prices. The Corporation may not be able to sell Thykamine[tm] profitably if its prices are not approved or coverage and reimbursement is unavailable or limited in scope. Increasingly, third-party payors attempt to contain health care costs in ways that are likely to impact the Corporation's development of products including:

- not approving the prices charged for health care products;
- limiting both coverage and the amount of reimbursement for new therapeutic products;
- denying or limiting coverage for products that are approved by the regulatory agencies but are considered to be experimental or investigational by third-party payors; and
- refusing to provide coverage when an approved product is used in a way that has not received regulatory marketing approval.

Termination or suspension of, or delays in the commencement or completion of, any necessary future studies of Thykamine[tm] for any indications could occur.

The commencement and completion of clinical studies and trials for Thykamine[tm], can be delayed for a number of reasons, including delays related to:

- the FDA, Health Canada or similar regulatory authorities not granting permission to proceed and placing the clinical study on hold or not reviewing and responding to IND application requests due to the current or any future U.S. federal government shutdown;
- subjects failing to enroll or remain in the Corporation's trials at the rate the Corporation expects;
- the Corporation's facility manufacturing Thykamine[tm] failing to obtain the GCP or cGMP qualification;
- the Corporation's facility manufacturing Thykamine[tm] being ordered by the FDA or other government or regulatory authorities to temporarily or permanently shut down due to violations of GCP or cGMP requirements or other applicable requirements, or cross-contaminations of product candidates in the manufacturing process;
- any changes to the Corporation's manufacturing process that may be necessary or desired;
- subjects choosing an alternative treatment for the indications for which the Corporation is developing Thykamine[tm], or participating in competing clinical studies;
- subjects experiencing severe or unexpected drug-related adverse effects;
- reports from clinical testing on similar technologies and products raising safety and/or efficacy concerns;
- third-party clinical investigators losing their license or permits necessary to perform the Corporation's clinical trials, not performing the Corporation's clinical trials on their anticipated schedule or employing methods not consistent with the clinical trial protocol, GCP guidelines, or other third parties not performing data collection and analysis in a timely or accurate manner;

- inspections of clinical study sites by the FDA, Health Canada or similar regulatory authorities or IRBs finding regulatory or GCP or cGMP violations that require the Corporation to undertake corrective action, result in suspension or termination of one or more sites or the imposition of a clinical hold on the entire study, or that prohibit the Corporation from using some or all of the data in support of its marketing applications;

- third-party contractors becoming debarred or suspended or otherwise penalized by the FDA, Health Canada or other government or regulatory authorities for violations of regulatory requirements, in which case the Corporation may need to find a substitute contractor, and the Corporation may not be able to use some or any of the data produced by such contractors in support of its marketing applications;

- one or more IRBs refusing to approve, suspending or terminating the study at an investigational site, precluding enrollment of additional subjects, or withdrawing its approval of the trial; reaching agreement on acceptable terms with prospective CRO and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;

- deviations of the clinical sites from trial protocols or dropping out of a trial;

- the addition of new clinical trial sites; and

- the inability of the CRO to execute any clinical trials for any reason.

Product development costs for Thykamine[tm] will increase if the Corporation has delays in testing or approval or if the Corporation is required by regulatory authorities to perform more or larger clinical studies than planned. Additionally, changes in regulatory requirements and policies may occur and the Corporation may need to amend study protocols to reflect these changes. Amendments may require the Corporation to resubmit its study protocols to the FDA, Health Canada or similar regulatory authorities or IRBs for re-examination, which may impact the costs, timing or successful completion of that study. Any delays in completing the Corporation's clinical trials will increase its costs, slow down its development and approval process and jeopardize its ability to commence sales of Thykamine[tm] and generate revenues. Any of these occurrences may have a material adverse effect on the Corporation's business, financial condition and prospects.

Clinical drug development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. The results of preclinical studies and early clinical trials may not be predictive of the results of later-stage clinical trials. The Corporation cannot assure that the FDA will interpret the results as the Corporation does or that any future trials of Thykamine[tm] for other indications will achieve positive results. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy results despite having progressed through preclinical studies and initial clinical trials. A number of companies in the pharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. Any future clinical trial results for Thykamine[tm] may not be successful.

A number of factors could contribute to a lack of favorable safety and efficacy results for Thykamine[tm] for other indications. For example, such trials could result in increased variability due to varying site(s) characteristics, such as local standards of care, differences in evaluation period, and due to varying patient characteristics including demographic factors and health status. There can be no assurance that the Corporation's clinical trials will demonstrate sufficient safety and efficacy for the FDA to approve Thykamine[tm] for the treatment of active mild-to-moderate distal ulcerative colitis and mild-to-moderate atopic dermatitis, or any other indication that the Corporation may consider in any additional NDA submissions for Thykamine[tm].

The Corporation relies on third parties to conduct its clinical trials for Thykamine[tm].

The Corporation plans to enter into agreements with a contract research organization (CRO) to manage the conduct of its ongoing clinical trial including monitoring, data management, statistical data analysis and report writing. The Corporation will rely heavily on the CRO for execution of clinical studies for Thykamine[tm] and controls only certain aspects of the CRO's activities. Nevertheless, the Corporation will remain responsible for ensuring that each of its studies is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards, and the Corporation's reliance on CROs would not relieve it of its regulatory responsibilities. The Corporation and its CROs are required to comply with GCP and ICH guidelines, which are regulations and guidelines enforced by the FDA, Health Canada and comparable foreign regulatory authorities for any products in clinical development. The FDA enforces these GCP and ICH guidelines through periodic inspections of trial sponsors, CROs principal investigators and trial sites. If the Corporation or its CROs fail to comply with applicable GCP and ICH guidelines, the clinical data generated from the Corporation's clinical trials may be deemed unreliable in whole or part and the FDA, Health Canada or comparable foreign regulatory authorities may require the Corporation to perform additional clinical trials before approving the Corporation's marketing applications. The Corporation cannot assure that, upon inspection, the FDA will determine that any of the Corporation's clinical trials are in compliance with GCP and ICH guidelines. In addition, the Corporation's clinical trials must be conducted with products manufactured under cGMP guidelines and will require a large number of test subjects. The Corporation's failure or the failure of its CROs to comply with these regulations may require the Corporation to repeat clinical trials, which would delay the regulatory approval process and could also subject the Corporation to enforcement action up to and including civil and criminal penalties.

If any of the Corporation's relationships with its third-party CROs terminate, the Corporation may not be able to enter into arrangements with alternative CROs. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to the Corporation's clinical protocols, regulatory requirements or for other reasons, any such clinical trials may be extended, delayed or terminated, and the Corporation may not be able to obtain regulatory approval for or successfully commercialize Thykamine[tm].

The Corporation's supply of organic spinach crops for the extraction of Thykamine[tm] for clinical trials is dependent upon relationships with third party suppliers.

The Corporation depends on spinach crops sourced from third parties for the production of Thykamine[tm]. The Corporation's reliance on third party suppliers of spinach crops involves several risks, including potential fluctuations in supply and reduced control over production costs, delivery schedules and the quality of available spinach crops. Devonian currently acquires all of its spinach crops for the production of Thykamine[tm] from Earthbound Farm, LLC, a Delaware limited liability company. The Supply Agreement entered into between the Corporation and Earthbound Farm, LLC expired on November 15, 2016 and its renewal is in the final approval process by Earthbound Farms, LLC, but there is no assurance that it could be renewed in accordance with its terms. See section "Information Concerning Devonian – Description of the Business - Operations – Raw Materials".

Risks Relating to the Corporation's Intellectual Property Rights

It is difficult and costly to protect Devonian's intellectual property rights, and Devonian cannot ensure the protection of these rights.

The Corporation's activities depend, in part, on its ability to (i) obtain and maintain patents, trade secrets protection and operate without infringing the intellectual proprietary rights of third parties, (ii) successfully defend these patents (including patents owned by or licensed to the Corporation) against third-party challenges, and (iii) successfully enforce these patents against third party competitors. There is no assurance that the Corporation will be granted such patents and/or proprietary technology or that such granted patents and/or proprietary technology will not be circumvented through the adoption of a competitive, though non-infringing, process or product. The patent positions of pharmaceutical companies can be highly uncertain and involve complex legal, scientific and factual questions for which important legal principles remain unresolved. Changes in either the patent laws or in interpretations of patent laws may diminish the value of the Corporation's intellectual property. Accordingly, the Corporation cannot predict the breadth of claims that may be allowable or enforceable in its patents (including patents owned by or licensed to the Corporation). Failure to protect the Corporation's existing and future intellectual property rights could seriously harm its business and prospects and may result in the loss of its ability to exclude others from using the Corporation's technology or its own right to use the technologies. If the Corporation does not adequately ensure the right to use certain technologies, it may have to pay others for the right to use their intellectual property, pay damages for infringement or misappropriation and/or be enjoined from using such intellectual property. The Corporation's patents do not guarantee the right to use the technologies if other parties own intellectual property rights that are necessary in order to use such technologies. The Corporation's patent position is subject to complex factual and legal issues that may give rise to uncertainty as to the validity, scope and enforceability of a particular patent.

In any case, there can be no assurance that:

- any rights under Canadian, U.S. or foreign patents owned by the Corporation will not be curtailed;
- the Corporation was the first inventor of inventions covered by its issued patents or pending applications or that the Corporation was the first to file patent applications for such inventions;
- the Corporation's pending or future patent applications will be issued with the breadth of claim coverage sought by the Corporation, or be issued at all;
- the Corporation's competitors will not independently develop or patent technologies that are substantially equivalent or superior to the Corporation's technologies;
- any of the Corporation's trade secrets will not be learned independently by its competitors; or
- the steps the Corporation takes to protect its intellectual property will be adequate.

In addition, effective patent, trademark, copyright and trade secret protection may be unavailable, limited or not sought in certain foreign countries. The Corporation also seeks to protect its proprietary intellectual property, including intellectual property that may not be patented or patentable, in part by confidentiality agreements and, if applicable, inventors' rights agreements with its strategic partners and employees. There can be no assurance that these agreements will not be breached, that the Corporation will have adequate remedies for any breach or that such persons or institutions will not assert rights to intellectual property arising out of these relationships. The cost of enforcing the Corporation's patent rights or defending rights against infringement charges by other patent holders may be significant and could limit operations. The Corporation intends to vigorously enforce and protect its intellectual property.

The degree of future protection for the Corporation's proprietary rights is uncertain, because legal means afford only limited protection and may not adequately protect the Corporation's rights, permit it to gain or keep its competitive advantage, or provide it with any competitive advantage at all. The Corporation cannot be certain that any patent application owned by a third party will not have priority over patent applications filed or in-licensed by the Corporation, or that the Corporation or its licensor will not be involved in interference, opposition or invalidity proceedings before U.S., Canadian or foreign patent offices.

The Corporation also relies on trade secrets to protect its technology, especially in cases where the Corporation believes patent protection is not appropriate or obtainable. However, trade secrets are difficult to protect. If the Corporation cannot maintain the confidentiality of its proprietary and licensed technology and other confidential information, the Corporation's ability and that of its licensor to receive patent protection and its ability to protect valuable information owned or licensed by the Corporation may be imperiled. Enforcing a claim that a third-party entity illegally obtained and is using any of the Corporation's trade secrets is expensive and time consuming, and the outcome is unpredictable. Moreover, the Corporation's competitors may independently develop equivalent knowledge, methods and know-how. If the Corporation fails to obtain or maintain patent protection or trade secret protection for Thykamine[tm], SUPREX or the Corporation's technologies, third parties could use the Corporation's proprietary information, which could impair its ability to compete in the market and adversely affect its ability to generate future revenues and attain profitability.

Thykamine[tm] may infringe the intellectual property rights of others, which could increase the Corporation's costs and delay or prevent the Corporation's development and commercialization efforts.

The Corporation's success depends in part on avoiding infringement of the proprietary technologies of others. The pharmaceutical industry has been characterized by frequent litigation regarding patent and other intellectual property rights. Identification of third party patent rights that may be relevant to the Corporation's proprietary or licensed technology is difficult because patent searching is imperfect due to differences in terminology among patents, incomplete databases and the difficulty in assessing the meaning of patent claims. Additionally, because patent applications are maintained in secrecy until the application is published, the Corporation may be unaware of third-party patents that may be infringed by the development and commercialization of Thykamine[tm] or any other future drug candidate. There may be certain issued patents and patent applications claiming subject matter that the Corporation's licensor or the Corporation may be required to license in order to research, develop or commercialize Thykamine[tm], and the Corporation cannot be certain whether such patents and patent applications would be available to license on commercially reasonable terms, or at all. Any claims of patent infringement asserted by third parties would be time-consuming and may:

- result in costly litigation;
- divert the time and attention of the Corporation's technical personnel and management;
- cause product development or commercialization delays, including delays in clinical trials for Thykamine[tm];
- prevent the Corporation from commercializing Thykamine[tm] until the asserted patent expires or is held finally invalid or not infringed in a court of law;
- require the Corporation to cease or modify its use of the technology and/or develop non-infringing technology; or
- require the Corporation to enter into royalty or licensing agreements.

Others may hold proprietary rights that could prevent Thykamine[tm] from being marketed. Any patent-related legal action against the Corporation claiming damages and seeking to enjoin commercial activities relating to Thykamine[tm] or the Corporation's processes could subject the Corporation to potential liability for damages and require the Corporation to obtain a license to continue to manufacture or market Thykamine[tm] or any other future prescription drug candidates. The Corporation cannot predict whether the Corporation would prevail in any such actions or that any license required under any of these patents would be made available on commercially acceptable terms, if at all. In addition, the Corporation cannot be sure that it could redesign Thykamine[tm] or any other future product candidates or processes to avoid infringement, if necessary. Accordingly, an adverse determination in a judicial or administrative proceeding, or the failure to obtain necessary licenses, could prevent the Corporation from developing and commercializing Thykamine[tm] or any other future product candidate, which could harm the Corporation's business, financial condition and operating results.

If the Corporation were to challenge the validity of these or any other issued U.S, Canadian or other foreign patents in court, the Corporation would need to overcome a statutory presumption of validity that attaches to every U.S. and Canadian patent. This means that, in order to prevail, the Corporation would have to present clear and convincing evidence as to the invalidity of the other party's patent's claims. If the Corporation were to challenge the validity of any issued U.S. patent in an administrative trial before the Patent Trial and Appeal Board in the U.S. Patent and Trademark Office, the Corporation would have to prove that the claims are unpatentable by a preponderance of the evidence. There is no assurance that a jury and/or court would find in the Corporation's favor on questions of infringement, validity or enforceability.

General Risks Related to the Corporation

The Corporation may never become profitable or be able to sustain profitability.

The Corporation is a late stage botanical pharmaceutical company with a limited operating history. The likelihood of success of the Corporation's business plan must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with developing and expanding early-stage businesses and the regulatory and competitive environment in which the Corporation operates. Pharmaceutical product development is a highly speculative undertaking, involves a substantial degree of risk and is a capital-intensive business. Therefore, the Corporation expects to incur expenses without any meaningful corresponding revenues unless and until it is able to obtain regulatory approval and subsequently sell Thykamine[tm] in significant quantities. To date, the Corporation has not generated any revenue from Thykamine[tm] or any of its activities, and it may never be able to obtain regulatory approval for the marketing of Thykamine[tm] in any indication. Furthermore, even if the Corporation is able to commercialize its derma-cosmeceutical products, Thykamine[tm] or any other product candidate, there can be no assurance that the Corporation will generate significant revenues or ever achieve profitability.

If the Corporation obtains FDA and/or Health Canada approvals, it expects that its expenses will increase as it prepares for the commercial launch of Thykamine[tm]. The Corporation also expects that its research and development expenses will continue to increase in the event it pursues FDA and/or Health Canada approvals for Thykamine[tm] for other indications. As a result, the Corporation expects to continue to incur substantial losses for the foreseeable future, and these losses may be increasing. The Corporation is uncertain about when or if it will be able to achieve or sustain profitability. If the Corporation achieves profitability in the future, it may not be able to sustain profitability in subsequent periods. Failure to become and remain profitable would impair the Corporation's ability to sustain operations and adversely affect the price of the Orletto Shares and its ability to raise capital.

Negative Operating Cash Flow.

Neither Devonian nor Orletto generate operating revenue and both have negative cash flow from operating activities. It is anticipated that the Resulting Issuer will continue to have negative cash flow in the foreseeable future. Continued losses may have the following consequences:

- increasing the Resulting Issuer's vulnerability to general adverse economic and industry conditions;
- limiting the Resulting Issuer's ability to obtain additional financing to fund future working capital, capital expenditures, operating costs and other general corporate requirements; and
- limiting the Resulting Issuer's flexibility in planning for, or reacting to, changes in its business and the industry.

The Corporation will require additional funding to continue as a going concern.

The Corporation will require substantial additional funds to conduct further research and development, scheduled clinical testing, regulatory approvals and the commercialization of Thykamine[tm]. Based on the results of the completed trials and assuming research and development proceeds as planned, Devonian estimates that the Phase II atopic dermatitis clinical study, Phase II ulcerative colitis clinical trial and the initiation of phase III clinical program in atopic dermatitis will take at least an additional 18 to 24 months to be complete while Phase III clinical program in ulcerative colitis will take at least an additional 36 months to complete and should cost together approximately between $50 million to $60 million, as described in further detail under "Information Concerning Devonian – Description of the Business - Future Developments". In addition to completing the clinical trials and the nonclinical studies, the Corporation expects that additional time and capital will be required to complete the filing of a NDA to obtain FDA approval for Thykamine[tm] in the United States and to complete marketing and other pre-commercialization activities before reaching commercialization.

If the Corporation does not raise additional funds through public or private equity or debt financing, joint venture arrangements, and collaborative arrangements with other pharmaceutical companies, and/or from other sources, it may not be able to realize its assets and discharge its liabilities in the normal course of business. There can be no assurance that any additional funding will be available on acceptable terms or at all to enable the Corporation to continue and complete the research and development of Thykamine[tm]. As a result, there exists a material uncertainty that casts substantial doubt about the Corporation's ability to continue as a going concern and, therefore, realize its assets and discharge its liabilities in the normal course of business.

Furthermore, if the Corporation is unable to secure sufficient capital to fund its operations, it may be forced to enter into strategic collaborations that could require the Corporation to share commercial rights to Thykamine[tm] with third parties in ways that the Corporation currently does not intend or on terms that may not be favorable to the Corporation.

In order to establish the Corporation's sales and marketing infrastructure, the Corporation will need to expand the size of its organization, and the Corporation may experience difficulties in managing this growth.

As of December 31, 2016, the Corporation had 5 employees in Canada. As the Corporation's development and commercialization plans and strategies develop, the Corporation expects that it will need to expand the size of its employee base for managerial, operational, sales, marketing, financial and other resources. Future growth would impose significant added responsibilities on members of management, including the need to identify, recruit, maintain, motivate and integrate additional employees. In addition, the Corporation's management may have to divert a disproportionate amount of its attention away from the Corporation's day-to-day activities and devote a substantial amount of time to managing these growth activities. The Corporation's future financial performance and its ability to commercialize Thykamine[tm] and any other future product candidates and its ability to compete effectively will depend, in part, on the Corporation's ability to effectively manage any future growth.

If the Corporation is not successful in attracting and retaining highly qualified personnel, the Corporation may not be able to successfully implement its business strategy.

The Corporation's ability to compete in the highly competitive pharmaceuticals industry depends in large part upon its ability to attract and retain highly qualified managerial, scientific and medical personnel. Competition for skilled personnel in the Corporation's market is intense and competition for experienced scientists may limit the Corporation's ability to hire and retain highly qualified personnel on acceptable terms. The Corporation is highly dependent on its management, scientific and medical personnel. The Corporation's management team has substantial knowledge in many different aspects of drug development and commercialization. Despite the Corporation's efforts to retain valuable employees, members of its management, scientific and medical teams may terminate their employment with the Corporation on short notice or, potentially, without any notice at all. The loss of the services of any of the Corporation's executive officers or other key employees could potentially harm its business, operating results or financial condition. The Corporation's success may also depend on its ability to attract, retain and motivate highly skilled junior, mid-level, and senior managers and scientific personnel.

Other pharmaceutical companies with which the Corporation competes for qualified personnel have greater financial and other resources, different risk profiles, and a longer history in the industry than the Corporation does. They also may provide more diverse opportunities and better chances for career advancement. Some of these characteristics may be more appealing to high-quality candidates than what the Corporation has to offer. If the Corporation is unable to continue to attract and retain high-quality personnel, the rate and success at which the Corporation can develop and commercialize product candidates would be limited.

If product liability lawsuits are brought against the Corporation, it may incur substantial liabilities and may be required to cease the sale, marketing and distribution of its products.

The Corporation faces a potential risk of product liability as a result of its sales, marketing and distribution activities relating to SUPREX and any future commercialization of Thykamine[tm] or any other future product. For example, the Corporation may be sued if any product it develops allegedly causes injury or is found to be otherwise unsuitable during product testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability and a breach of warranties. Claims could also be asserted under U.S. state or Canadian provincial or other foreign consumer protection legislation. If the Corporation cannot successfully defend itself against product liability claims, it may incur substantial liabilities or be required to cease the sale, marketing and distribution of its products. Even successful defense against product liability claims would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased demand for Thykamine[tm] or any future products that the Corporation may develop;
- injury to the Corporation's reputation;
- withdrawal of clinical trial participants;
- costs to defend the related litigation;
- a diversion of management's time and the Corporation's resources;
- substantial monetary awards to consumers, trial participants or patients;
- product recalls, withdrawals or labeling, marketing or promotional restrictions;
- loss of revenue;
- the inability to commercialize Thykamine[tm]; and
- a decline in the price of the Corporation's common shares.

If the Corporation is unable to obtain and retain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims, the commercialization of products it develops could be hindered or prevented. Although the Corporation maintains such insurance, any claim that may be brought against the Corporation could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by the Corporation's insurance or that is in excess of the limits of the Corporation's insurance coverage. The Corporation's insurance policies also have various exclusions, and the Corporation may be subject to a product liability claim for which it has no coverage. In the event of a successful product liability claim against it, the Corporation may have to pay from its own resources any amounts awarded by a court or negotiated in a settlement that exceed its coverage limitations or that is not covered by the Corporation's insurance, and the Corporation may not have, or be able to obtain, sufficient capital to pay such amounts.

The Corporation may acquire businesses or products or form strategic alliances in the future and the Corporation may not realize the benefits of such acquisitions.

The Corporation may acquire additional businesses or products, form strategic alliances or create joint ventures with third parties that the Corporation believes will complement or augment its existing business. If the Corporation acquires businesses with promising markets or technologies, it may not be able to realize the benefit of acquiring such businesses if the Corporation is unable to successfully integrate them with its existing operations and company culture. The Corporation may encounter numerous difficulties in developing, manufacturing and marketing any new products resulting from a strategic alliance or acquisition that delay or prevent the Corporation from realizing their expected benefits.

The Corporation may not achieve its publicly announced milestones on time.

From time to time, the Corporation publicly announces the timing of certain events it expects to occur, such as the anticipated timing of results from its clinical trials. These statements are forward-looking and are based on the best estimate of management at the time relating to the occurrence of such events. However, the actual timing of such events may differ from what has been publicly disclosed. The timing of events such as completion of a clinical trial, discovery of a new product candidate, filing of an application to obtain regulatory approval, beginning of commercialization of certain products, or announcement of additional clinical trials for a product candidate may ultimately vary from what is publicly disclosed. For example, the Corporation cannot provide assurances that the scheduled clinical studies and clinical trials will be completed on schedule or at all, that it will conduct Phase III clinical trials for Thykamine^{tm}, that it will make regulatory submissions or receive regulatory approvals as planned, or that it will be able to provide for the scale-up of manufacturing and launch of any of its products. These variations in timing may occur as a result of different events, including the nature of the results obtained during a clinical trial or during a research phase, problems with a supplier or a distribution partner or any other event having the effect of delaying the publicly announced timeline. The Corporation undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. Any variation in the timing of previously announced milestones could have a material adverse effect on the Corporation's business plan, financial condition or operating results and the market price of the Orletto Shares.

Risks Related to the Offering and the Securities

The price of the Securities may fluctuate.

Market prices for securities in general, and that of pharmaceutical companies in particular, tend to fluctuate. Factors such as the announcement to the public or in various scientific or industry forums of technological innovations, new commercial products, patents, patent infringement claims (whether brought by the Corporation against third parties or claimed against the Corporation), exclusive rights obtained by the Corporation or others, results of pre-clinical and clinical studies by the Corporation or others, a change of regulations, publications, financial results, public concerns over the risks of pharmaceutical products, future sales of securities by the Corporation or its shareholders and many other factors could have considerable effects on the price of the Corporation's securities.

The market price of the common shares could decline as a result of future issuances or actual or potential sales.

The market price of the common shares could decline as a result of future issuances by the Corporation or sales by its existing holders of common shares, or the perception that these sales could occur. Sales by shareholders might also make it more difficult for Devonian to sell equity securities at a time and price that Devonian deems appropriate, which could reduce its ability to raise capital and have an adverse effect on its business.

The market price of the common shares could decline as a result of operating results falling below the expectations of investors or fluctuations in operating results each quarter.

The Corporation's revenues and expenses may fluctuate significantly and any failure to meet financial expectations may disappoint securities analysts or investors and result in a decline in the price of the Corporation's common shares. The Corporation's revenues and expenses have fluctuated in the past and are likely to do so in the future. These fluctuations could cause the market price of the common shares to decline. Some of the factors that could cause revenues and expenses to fluctuate include the following:

- the inability to complete product development in a timely manner that results in a failure or delay in receiving the required regulatory approvals or allowances to commercialize product candidates;

- the timing of regulatory submissions and approvals;

- the timing and willingness of any current or future collaborators to invest the resources necessary to commercialize the Corporation's products;

- the outcome of any litigation;

- changes in foreign currency fluctuations;

- competition;

- the timing of achievement and the receipt of milestone payments from current or future third parties;

- failure to enter into new or the expiration or termination of current agreements with third parties; and

- failure to introduce the Corporation's products to the market in a manner that generates anticipated revenues.

If the Corporation's quarterly operating results fall below the expectations of investors or securities analysts, the market price of the common Shares could decline substantially. Furthermore, any quarterly fluctuations in the Corporation's operating results may, in turn, cause the market price of the common shares to fluctuate substantially.

The Corporation does not currently intend to pay any cash dividends on its common shares in the foreseeable future.

The Corporation has never paid any cash dividends on its common shares. The Corporation does not anticipate paying any cash dividends on its common shares in the foreseeable future because, among other reasons, the Corporation currently intends to retain any future earnings to finance its business and operations. The future payment of cash dividends will be dependent on factors such as cash on hand and achieving profitability, the financial requirements to fund growth, the Corporation's general financial condition and other factors the board of directors of the Corporation may consider appropriate in the circumstances. Until the Corporation pays cash dividends, which it may never do, its shareholders will not be able to receive a return on their common shares unless they sell them.

There can be no assurance that an active market for the common shares will be sustained.

There can be no assurance that an active market for the common shares will be sustained. Holders of Orletto Shares may be unable to sell their investments on satisfactory terms. As a result of any risk factor discussed herein, the market price of the common shares at any given point in time may not accurately reflect the long-term value of the Corporation. Furthermore, responding to these risk factors could result in substantial costs and divert management's attention and resources. Substantial and potentially permanent declines in the value of the common shares may result in and adversely affect the liquidity of the market for the common shares.

Other factors unrelated to the performance of the Corporation that may have an effect on the price and liquidity of the common shares include: extent of analyst coverage; lessening in trading volume and general market interest in the common shares; the size of the Corporation's public float; and any event resulting in a delisting of the common shares.

The sale of common shares issued upon the exercise of warrants or other security could encourage short sales by third parties which could further depress the price of the common shares.

Any downward pressure on the price of common shares caused by the sale of common shares issued upon the exercise of warrants or other security could encourage short sales by third parties. In a short sale, a prospective seller borrows common shares from a shareholder or broker and sells the borrowed common shares. The prospective seller anticipates that the common share price will decline, at which time the seller can purchase common shares at a lower price for delivery back to the lender. The seller profits when the common share price declines because it is purchasing common shares at a price lower than the sale price of the borrowed common shares. Such sales could place downward pressure on the price of the common shares by increasing the number of common shares being sold, which could further contribute to any decline in the market price of the common shares.

Control of the Resulting Issuer Potentially in the Hands of a Small Number of Shareholders.

Assuming closing of the Transaction and also assuming no participation by the Principal Shareholders of Devonian in the Offering, the Principal Shareholders will own of record or beneficially, directly or indirectly, or exercise control or direction over in the aggregate approximately 19,966,523 common shares or approximately 35.74% of the Amalco Subordinate Voting Shares assuming the completion of the Minimum Offering (32.63% assuming the completion of the Maximum Offering). As such, should the Principal Shareholders determine to act in concert with anyone else, it will have the ability to determine the outcome of matters submitted to the shareholders of the Resulting Issuer for approval, including the election and removal of directors, amendments to the Resulting Issuer's corporate governing documents and business combinations. The Resulting Issuer's interests and those of the Principal Shareholders may at times conflict, and this conflict might be resolved against the Resulting Issuer's interests. The concentration of control in the hands of a small number of individuals may practically preclude an unsolicited bid for the Resulting Issuer's Common Shares, and this may adversely impact the value and trading price of the Common Shares. See "Information Concerning the Resulting Issuer - Principal Securityholders".

Future Sales by Significant Shareholders.

Following release of shares from the resale restrictions imposed by the terms of the Resulting Issuer Escrow Agreement, should the Principal Shareholders determine to act in concert and sell its shares, the market price of the common shares may fall. This could result from the pressure on the market caused by such sales, or from concern that the sales signify problems in the Resulting Issuer's operations, or from some combination of the two. Mitigating this risk to some extent, though in no way eliminating it, is the fact that, upon completion of the Minimum Offering, approximately 38.17% of the Shares of the Resulting Issuer (34.85% upon completion of the Maximum Offering) will be subject to the Resulting Issuer Escrow Agreement and releasable according to its terms thereof. See "Information Concerning the Resulting Issuer - Escrowed Securities".

Lack of market for the warrants.

There is currently no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under the Prospectus. The Warrants will not be listed on the TSXV or on any other stock exchange. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices and the liquidity of the Warrants and the extent of issuer regulation**.** There can be no assurance that an active trading market will develop for the Warrants after the Offering, or if developed, that such a market will be sustained at the price level of the Offering.

The Corporation may pursue opportunities or transactions that may adversely affect its business and financial condition.

Management of Devonian, in the ordinary course of Devonian's business, regularly explores potential strategic opportunities and transactions. These opportunities and transactions may include strategic joint venture relationships, significant debt or equity investments in Devonian by third parties, the acquisition or disposition of material assets, the licensing, acquisition or disposition of material intellectual property, the development of new product lines or new applications for its existing products, significant distribution arrangements, the sale of common shares and other similar opportunities and transactions. The public announcement of any of these or similar strategic opportunities or transactions might have a significant effect on the price of the securities. Devonian's policy is to not publicly disclose the pursuit of a potential strategic opportunity or transaction unless it is required to do so by applicable law, including applicable securities laws relating to continuous disclosure obligations. There can be no assurance that investors who buy or sell Securities are doing so at a time when Devonian is not pursuing a particular strategic opportunity or transaction that, when announced, would have a significant effect on the price of the securities.

In addition, any such future corporate development may be accompanied by certain risks, including exposure to unknown liabilities of the strategic opportunities and transactions, higher than anticipated transaction costs and expenses, the difficulty and expense of integrating operations and personnel of any acquired companies, disruption of the Corporation's ongoing business, diversion of management's time and attention, and possible dilution to shareholders. The Corporation may not be able to successfully overcome these risks and other problems associated with any future acquisitions and this may adversely affect the Corporation's business and financial condition.

LEGAL MATTERS AND INTERESTS OF EXPERTS

Certain legal matters in connection with the Offering will be passed upon by Stein Monast L.L.P., on behalf of Orletto and Devonian and by Getz Prince Wells LLP, on behalf of the Agent. As of the date of the Prospectus, the "designated professionals" (as such term is defined in Form 51-102F2 - Annual Information Form) of Stein Monast L.L.P. and Getz Prince Wells LLP, each as a group, beneficially own, directly or indirectly, less than 1% of Orletto's outstanding securities. As of the date of the Prospectus, Mr. Richard Provencher, partner at Stein Monast L.L.P., secretary of Orletto, currently holds 7.28% of the Orletto Existing Shares and, upon Completion of the Amalgamation and the Minimum Offering, will hold 0.26% of the Amalco Shares and 0.24% of the Amalco Shares assuming the Maximum Offering.

Mallette acts as the external auditors of Orletto and Devonian. As such, they have provided the independent auditor's report filed with the annual audited financial statements of Orletto as at and for the fiscal year ended June 30, 2016 which are attached hereto as Schedule "C" and are available on SEDAR at www.sedar.com. They have also provided the independent auditor's report filed with the audited financial statements of Devonian as at and for the fiscal year ended July 31, 2016 which are attached hereto as Schedule "H". In connection with the audit of such financial statements, Mallette is independent within the meaning of the *Code of ethics of chartered professional accountants*. Following the completion of the Transaction, the auditors of the Resulting Issuer will be Deloitte LLP, Chartered Professional Accountants, at their offices located at 1190 avenue des Canadiens-de-Montréal, Suite 500, Montréal, Québec H3B 0M7.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS

Mr. Matthew Peppler, director of Devonian, resides outside of Canada and has appointed the following agent for service of process:

Name of person	Name and Address of Agent
Matthew Peppler	André P. Boulet 2010, Blvd Dagenais O., Suite 200 Laval, Québec H7L 5W2

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

PURCHASERS' RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in the provinces of Québec, Ontario, Alberta and British Columbia provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two (2) business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in certain provincial securities legislation, to the price at which the warrants are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the warrants, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

EXEMPTIONS FROM REGULATION

Orletto has applied and obtained from the securities regulatory authorities in British Columbia, Alberta, Ontario and Québec, an exemption from the requirement to include the historical financial statements of Devonian and Purgenesis for the last three fiscal years in the Prospectus as otherwise required as per Item 32.1 of Form 41-101F1 – Information Required in a Prospectus. The exemption has been requested for the following reasons:

- since incorporation, the Pre-Merger Devonian Entities had short history, had no business operations and had limited activities related to the purchase of the PurGenesis assets and the merger of the Pre-Merger Devonian Entities. See "Information Concerning Devonian – General Development of Business – History since Inception";

- for the years 2012, 2013 and 2014, the PurGenesis' historical records have been lost or destroyed and cannot be reconstructed and does not allow Devonian to prepare audited financial statements for these years; and

- the historical financial statements of PurGenesis are not available as it went through a bankruptcy and no accounting books or other financial records are available. See "Information Concerning Devonian – General Development of Business – History since Inception"

The Amalco Subordinate Voting Shares and Amalco Subordinate Exchangeable Voting Shares are considered to be restricted securities within the meaning of Regulation 41-101. Paragraph 12.3(1)(a) of Regulation 41-101 prohibits the filing of a prospectus under which restricted securities are distributed without prior requisite securityholder approval. Orletto has requested relief from paragraph 12.3(1)(a) of Regulation 41-101 to the extent that it requires the specified approval of the securityholders of Orletto to be obtained prior to filing a preliminary or final prospectus, on the conditions that: (a) the securityholder approval specified in paragraph 12.3(1)(a) of Regulation 41-101 will be obtained prior to any issuances of securities pursuant to this Prospectus; and (b) other than the exemption sought, all requirements of paragraph 12.3 of Regulation 41-101 will be satisfied. The issuance of a receipt for this Prospectus will evidence the granting of the exemption sought.

CERTIFICATE OF ORLETTO

Dated: January 31, 2017

This amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated prospectus as required by the securities legislation of the provinces of Québec, Ontario, Alberta and British Columbia.

(s) Benoit Chotard
Benoit Chotard
President and Chief Executive Officer

(s) Normand Drolet
Normand Drolet
Vice President and Chief Financial Officer

On behalf of the board of directors

(s) Cynthia Mailloux
Cynthia Mailloux
Director

(s) Octavio Soares
Octavio Soares
Director

CERTIFICATE OF DEVONIAN

Dated: January 31, 2017

This amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated prospectus as required by the securities legislation of the provinces of Québec, Ontario, Alberta and British Columbia.

(s) André Boulet
André Boulet
President and Chief Executive Officer

(s) François Michaud
François Michaud
Chief Financial Officer

On behalf of the board of directors

(s) Pierre Colas
Pierre Colas
Director

(s) Jean Bourgouin
Jean Bourgouin
Director

CERTIFICATE OF THE PROMOTER

Dated: January 31, 2017

This amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated prospectus as required by the securities legislation of the provinces of Québec, Ontario, Alberta and British Columbia.

(s) André Boulet
André Boulet
Promoter

CERTIFICATE OF THE AGENT

Dated: January 31, 2017

To the best of our knowledge, information and belief, this amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated prospectus as required by the securities legislation of Québec, Ontario, Alberta and British Columbia.

RICHARDSON GMP LIMITED

(s) Nargis Sunderji

By: Nargis Sunderji
Vice President, PVC Corporate Finance

SCHEDULE A

CONDENSED INTERIM UNAUDITED FINANCIAL STATEMENTS OF ORLETTO FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

SCHEDULE B

AMENDED MANAGEMENT'S DISCUSSION AND ANALYSIS OF ORLETTO FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

SCHEDULE C

ANNUAL AUDITED FINANCIAL STATEMENTS OF ORLETTO FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SCHEDULE D

MANAGEMENT'S DISCUSSION AND ANALYSIS OF ORLETTO FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SCHEDULE E

UNAUDITED CONSOLIDATED PRO FORMA FINANCIAL POSITION OF ORLETTO
AS AT SEPTEMBER 30, 2016

SCHEDULE F

CONDENSED INTERIM UNAUDITED FINANCIAL STATEMENTS OF DEVONIAN FOR THE THREE-MONTH PERIOD ENDED OCTOBER 31, 2016

SCHEDULE G

MANAGEMENT'S DISCUSSION AND ANALYSIS OF DEVONIAN FOR THE THREE-MONTH PERIOD ENDED OCTOBER 31, 2016

SCHEDULE H

ANNUAL AUDITED FINANCIAL STATEMENTS OF DEVONIAN FOR THE FISCAL YEAR ENDED JULY 31, 2016

SCHEDULE I

MANAGEMENT'S DISCUSSION AND ANALYSIS OF DEVONIAN
FOR THE FISCAL YEAR ENDED JULY 31, 2016

SCHEDULE J

AUDIT COMMITTEE CHARTER OF ORLETTO