



DEVONIAN HEALTH GROUP INC.

PRESS RELEASE

For immediate release

Devonian Announces Closing of an oversubscribed private placement of \$10,000,000.

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QUEBEC, November 30, 2021 – Devonian Health Group Inc. (“Devonian” or the “Corporation”) (TSXV: GSD), a clinical stage botanical pharmaceutical corporation, focused on developing a unique portfolio of botanical pharmaceutical and cosmeceutical products, is pleased to announce that it has closed the second tranche of a non-brokered private placement which was over-subscribed by issuing 25,806,997 units (the “Units”) at a price of \$0.30 per Unit for aggregate gross proceeds of \$7,742,099.10 (the “Offering”). Each Unit consists of one subordinate voting share and one share purchase warrant (a “Warrant”). Each Warrant will entitle its holder to purchase one subordinate voting share, at a price of \$0.40, until November 29, 2023.

Combined with the first tranche of the Offering, which closed on November 12, 2021, the Corporation has issued a total of 33,447,662 Units in the Offering for aggregate gross proceeds of \$10,034,298.60.

The net proceeds of the Offering will be used by the Corporation to (i) fund a clinical study for Atopic Dermatitis in pediatric patients (Eczema); (ii) fund a clinical study and proof of concept for Hand-Foot Syndrome associated with chemotherapy; (iii) fund a clinical study and proof of concept for radiodermatitis associated with radiation therapy; and (iv) to increase the working capital of the Corporation to allow the consolidation of the management team, to hire key employees and to evaluate business opportunities.

Finder’s fees totalling \$9,810.00 were paid to finders in connection with this second tranche of the Offering. All securities issued under the Offering are subject to a four month and one day hold period from the date of issue in accordance with applicable securities laws, ending on March 30, 2022. This Offering has received conditional approval from the TSX Venture Exchange and remains subject to the final approval of the TSX Venture Exchange.

Under the Offering, Finance Management Inc. for which the sole shareholder and director is Mr. Martin Moreau Vice President Finance, an insider of the Corporation purchased a total of 600,000 Units for a total consideration of \$180,000 which constitutes a “related party transaction” within the meaning of Regulation 61-101 *respecting Protection of Minority Security Holders in Special Transactions* (“Regulation 61-101”) and TSXV Policy 5.9 – *Protection of Minority Security Holders in Special Transaction*. However, the directors of the Corporation who voted in favour of the Offering have determined, based on advice from counsel and management, that the exemptions from formal valuation and minority approval requirements provided for respectively under subsections 5.5(a) and 5.7(1)(a) of Regulation 61-101 can be relied on as neither the fair market value of the Units issued to Finance Management Inc. nor the fair market value of the consideration paid exceed 25% of the Corporation’s market capitalization. None of the Corporation’s directors has expressed any contrary views or disagreements with respect to the foregoing. Considering this private placement, Finance Management Inc. owns 1,800,000 units of the Corporation.



“We are thrilled to complete this oversubscribed financing, made possible by an overwhelming response and investor demand following the topline results of our phase 2 clinical study in Atopic Dermatitis. This financing will support our ambition to become a major player in the field of inflammatory diseases” said Dr Andre P. Boulet, Devonian’s President & CEO.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Devonian

Devonian Health Group Inc. is a late-stage botanical pharmaceutical corporation with novel therapeutic approaches to targeting unmet medical needs. Devonian's core strategy is to develop prescription botanical drugs from plant materials and algae for the treatment of inflammatory-autoimmune diseases including but not limited to ulcerative colitis and atopic dermatitis. Based on a foundation of over 15 years of research, Devonian’s focus is further supported by a US-FDA set of regulatory guidelines favouring a more efficient drug development pathway for prescription botanical drug products over those of traditional prescription medicines. Devonian’s flagship product, Thykamine™, the first pharmaceutical product issued from Devonian’s SUPREX™ platform, is a highly innovative product for the prevention and treatment of health conditions related to inflammation and oxidative stress. The anti-inflammatory, anti-oxidative and immunomodulatory properties of Thykamine™ have been demonstrated by a considerable number of in vitro and in vivo studies as well as in a Phase IIa clinical study in patients with Mild-to-Moderate distal Ulcerative Colitis and in a large phase 2 clinical trial in adult patients with Mild-to-Moderate Atopic Dermatitis. The product is now ready to move into phase 3 clinical development.

Devonian is also involved in the development of high-value cosmeceutical products leveraging the same proprietary approach employed with their pharmaceutical offerings. Devonian Health Group Inc. was incorporated in 2015 and is headquartered in Québec, Canada where it owns a state-of-the art extraction facility with full traceability ‘from the seed to the pill’. Acquired in 2018, Altius Healthcare Inc., its commercialization subsidiary, brings opportunities for further diversification and growth potential. Devonian is traded publicly on the TSXV Exchange (**TSXV:GSD**).

For more information, visit www.groupedevonian.com

Forward-Looking Statements

This press release contains forward-looking statements about Devonian’s objectives, strategies and businesses that involve risks and uncertainties. These statements are “forward-looking” because they are based on our current expectations about the markets we operate in and on various estimates and assumptions. Actual events or results may differ materially from those anticipated in these forward-looking statements if known or unknown risks affect our business, or if our estimates or assumptions turn out to be inaccurate. Such risks and assumptions include, but are not limited to, the intended use of proceeds of the Offering, the final approval of the TSX Venture Exchange in connection with the Offering, the above “About Devonian” paragraph, Devonian’s ability to develop, manufacture, and successfully commercialize value-added pharmaceutical and cosmeceutical products, the availability of funds and resources to pursue R&D projects, the successful and timely completion of clinical studies, the ability of Devonian to take advantage of business opportunities in the pharmaceutical and cosmeceutical industries, uncertainties related to the regulatory process and general changes in economic conditions. You will find a more detailed assessment of the risks that could cause actual events or results to



materially differ from our current expectations in Devonian's prospectus dated April 21st, 2017 under the heading "Risk Factors" related to Devonian's business. As a result, we cannot guarantee that any forward-looking statement will materialize. We assume no obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason, unless required by applicable securities laws and regulations.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Contact:

Dr André P. Boulet, PhD
President, Chief Executive Officer
Devonian Health Group inc.
Telephone: (514) 248-7509
Email: apboulet@groupe-devonian.com