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DEVONIAN HEALTH GROUP INC.

PRESS RELEASE

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Devonian Announces Initiation of Phase IIa Clinical Trial of Thykamine™ in Adult patients with Mild-to-Moderate Atopic Dermatitis

QUEBEC, Québec – November 9, 2017 – Devonian Health Group Inc. ("**Devonian**" or the "**Corporation**") (TSXV: GSD), a clinical stage botanical pharmaceutical corporation, today announced the initiation of a Phase IIa clinical study to evaluate the tolerability, safety and efficacy Thykamine™, in adult patients with mild-to-moderate Atopic Dermatitis (AD). Thykamine™ is an innovative product with anti-inflammatory, anti-oxidative and immunomodulatory properties for the prevention and treatment of several life-altering health conditions

The randomized, double-blind, parallel-group, placebo-controlled study is being conducted at six (6) clinical centers in Canada. Eligible adult patients with mild-to-moderate AD will receive one of 3 concentrations of Thykamine™ cream (0.05%, 0.1% and 0.25%) or placebo. The cream will be applied twice a day for 28 days to all areas of the skin that are affected by atopic dermatitis, excluding the palms, soles of the feet and scalp. "This Phase IIa study represents the first milestone of our Atopic Dermatitis clinical development program," said Dr. André P. Boulet, President & CEO of Devonian. "We then look forward to beginning clinical trials with pediatric patients where managing the itchy skin and scratching caused by mild to moderate eczema is particularly challenging for parents and physicians."

About Atopic Dermatitis (AD)

Atopic dermatitis (AD), also known as eczema, is a type of inflammation of the skin. It results in itchy, red, swollen, and cracked skin that may lead to secondary infection. The condition typically starts in childhood with changing severity over the years. Although the cause of AD is unknown, it is believed to involve genetics, a compromised immune system and can be triggered by environmental factors. AD is the most common skin disease¹.and its prevalence continues to increase worldwide. In the United States, the incidence has been reported to be 10-20% of children with new diagnoses at almost 11% per year². The severity of AD can be categorized into three stages, mild, moderate and severe. The mild and moderate forms constitute approximately 67% and 26% respectively of the AD childhood patient population. A similar distribution has been reported in the adult patient population (71% and 26% respectively)^{3,4}. There is currently a high unmet need for new, effective and well-tolerated treatment options in AD⁵.



About Thykamine™

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 including ulcerative colitis, atopic dermatitis, psoriasis, rheumatoid arthritis, and other autoimmune disorders. 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. Thykamine™ is currently under development as treatment for ulcerative colitis and atopic dermatitis. Both Thykamine™ and SUPREX™ platforms are protected by several patents in North America, Europe and Asia.

About Devonian

Devonian is a clinical stage botanical pharmaceutical corporation with novel therapeutic approaches targeting unmet medical needs. Devonian's core strategy is to develop prescription botanical drugs. This focus is supported by a US-FDA set of regulatory guidelines favouring a more efficient drug development pathway versus those for traditional prescription medicines. Devonian is founded on a broad-based platform that spans more than fifteen years of research. Devonian's proprietary process of extraction, purification, stabilization and conditioning of a molecular complex responsible for the photosynthetic process in plants and algae is known as: The Supra Molecular Complex Extraction and Stabilisation Technology (SUPREX™). Thykamine™ is the first product derived from this platform. The potent anti-inflammatory and anti-oxidative active properties of Thykamine™ have been demonstrated in several pre-clinical studies as well as in a clinical study in patients with mild-to-moderate distal ulcerative colitis. The product is now moving into large phase II clinical trials in two therapeutic areas: Ulcerative Colitis and Atopic Dermatitis. While the development of prescription botanical drugs is its core business, Devonian is also involved in the development of high value derma-cosmeceutical products as part of a secondary strategy to generate short-term revenues and optimize manufacturing efficiency.

For more information, visit www.groupe-devonian.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, Devonian's ability to develop, manufacture, and successfully commercialize value-added pharmaceutical and dermo-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 dermo-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.

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