



DEVONIAN HEALTH GROUP INC.

PRESS RELEASE

For immediate release

Devonian signs a Binding Letter of Intent with Histapharm Inc. to extract and manufacture their proprietary botanical pharmaceutical product and to enter into a Strategic Partnership for the development of New Products.

Quebec – June 3, 2019 – Devonian Health Group Inc. (“Devonian” or the “Corporation”) (TSXv: GSD), a clinical stage biopharmaceutical corporation focused on developing a unique portfolio of botanical prescription drugs and cosmeceutical products, and **Histapharm Inc.** (“**Histapharm**”), a company pioneering the control of histamine level in various dysfunctions, announced today that they have signed a binding Letter of Intent (“LOI”) to negotiate the terms establishing Devonian as the exclusive site for the extraction and manufacturing of Histapharm’s proprietary botanical drug. Histapharm’s product targets the degradation of histamine being a different approach compared to treatments using antihistamine technologies. The LOI also includes the set-up of a Strategic Partnership focused on the development of new products for dermatological applications.

Under the LOI, Devonian will be the exclusive site for the extraction and manufacturing of the botanical drug containing diamine oxydase (DAO). Furthermore, under the Strategic Partnership, Devonian and Histapharm will develop new products, derived from the combination of their respective platforms, products and know-how. In order to facilitate the Partnership, Histapharm intends to set up its head office in close proximity to Devonian. The Manufacturing Agreement must be executed within the next 150 days and the Strategic Partnership by November, 30, 2019.

"We are pleased to leverage our R&D and manufacturing assets. By finding a reliable partner, Devonian expects not only to increase its revenues, but also to further focus on its core expertise and strength, that is the development of botanical prescription drugs with a strong franchise in dermatology. The Strategic Partnership with Histapharm will add another Active Botanical Ingredient (ABI) to our pipeline for the development, approval and commercialization of novel products within the dermatology therapeutic area." said Dr Andre P. Boulet, President and Chief Executive Officer of Devonian.

"Access to Devonian facilities will allow Histapharm to be the first worldwide producer of vegetable-based diamine oxidase in a powder format, positioning Histapharm in a niche market covered and protected by our intellectual properties". said Guy Bilodeau, President and Chief Executive Officer of Histapharm.



About the transaction

The completion of the definitive agreements is subject to additional conditions, including but not limited to various board of directors' approvals of Devonian and Histapharm, as well as third party's consents on terms satisfactory to Devonian and Histapharm and certain other usual conditions. The completion of the definitive agreements is subject to the approval of the TSX Venture Exchange and all other necessary regulatory approvals. There can be no assurance that the transaction will be completed as proposed or at all.

Update on interest settlement announced on March 29, 2019

The Corporation has, by press release dated March 29, 2019, announced the payment of accrued and unpaid interest on convertible debentures issued and outstanding by the issuance of subordinate voting shares (the "Shares") and units.

Aspri Pharma Inc., an insider of the Corporation, had received only Shares, unlike other subscribers who received units consisting of Shares and Warrants. In the interest of fairness, the Corporation has filed an application for exemption with the TSX Venture Exchange (the "Exchange") in order for Aspri Pharma Inc. to also obtain warrants. The Exchange has agreed to grant the exemption. As a result, the Company issued 173,831 warrants to Aspri Pharma Inc. Each warrant entitles its holder to subscribe one Share at a price of \$ 0.38 per Share on or before April 23, 2021.

About Histapharm Inc.

Histapharm is a Canadian company pioneering the control of histamine level in various dysfunctions by oral administration of the plant enzyme – histaminase (called also Diamineoxidase DAO). This enzymatic botanical drug therapy consists in reducing inflammation through degradation of histamine and hydrogen peroxide. The enzyme-containing product can prevent exacerbation of symptoms related to various dysfunctions linked to histamine excess (mastocytosis, histaminosis) or to inhibition of DAO (i.e. diabetes). Considering the actual high unmet needs, Histapharm is developing the first botanical enzymatic product for people living for many years with symptoms which become worst with disease progression. Histamine is a trigger factor in dysfunctions for which patients are recommended long-life a low-histamine diet and medication including anti-histaminic drugs.

About Devonian

Devonian Health Group Inc. is a late stage biopharmaceutical 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 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 2013 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 commercial division, brings opportunities for further diversification and growth potential. Devonian is traded publicly on the TSX 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, 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 21, 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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