



PRESS RELEASE

*FOR IMMEDIATE RELEASE*

## **Devonian Health Group Announces the Issuance of Securities in Interest Settlement Due to Debenture Holders, a \$330,000 Non-Brokered Financing and the Grant of Options**

QUÉBEC CITY, April 22, 2020 – 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, announces that, conditional to the approval of the TSX Venture Exchange, it will issue the following securities in consideration of interest payable to the holders of debentures issued in the private placement as announced in press releases dated July 19, 2018 and August 31, 2018:

- 146,561 units at a unit price of \$ 0.202 (each, a “**Unit**”) will be issued to holders of debentures issued in the second tranche of the private placement closed on August 31, 2018, in consideration for the interest due on February 28, 2020 for an aggregate amount of \$ 34,364. Each Unit consists of one subordinate voting share of the Corporation (a “**Subordinate Voting Share**”) and one warrant (a “**Warrant**”). Each Warrant entitles its holder to subscribe for one Subordinate Voting Share of the Corporation at a price of \$ 0.25 for a period of 48 months, and
- 24,549 Subordinate Voting Shares will be issued to Mr. Jacques Bernier, holder of debentures issued in the second tranche of the private placement closed on August 31, 2018. These Subordinate Voting Shares are issued against the interest due to Mr. Jacques Bernier on February 28, 2020 for an aggregate amount of \$ 4,959.

The Subordinate Voting Shares and the Warrants are and will be subject to a hold period of 4 months and one day.

The payment of interest in the form of securities of the Corporation takes place in favor of Mr. Jacques Bernier (for an amount of \$ 4,959 or 24,549 Subordinate Voting Shares), a director of the Corporation, 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 within the meaning of Policy 5.9 of the Stock Exchange – *Protection of Minority securities holders in Special Transactions*. However, the directors of the Corporation who voted have determined that exemptions from the formal valuation and minority approval requirements provided for in sections 5.5 (a) and 5.7 (1) (a) of Regulation 61-101 respectively may be invoked as neither the fair market value of the Subordinate Voting Shares issued to such insider nor the fair market value of the consideration paid exceeds 25% of the market capitalization of the Corporation. No director of the Corporation has expressed a contrary opinion or disagreement with the foregoing.

A material change report relating to this transaction with a related party will be filed by the Corporation no later than 21 days prior to the date on which Subordinate Voting Shares and Units are expected to be issued as the conditions of participation of unrelated persons on the one hand and related persons on the other hand in connection with the issuance of Subordinate Voting Shares and Units were not determined.



## **Non-Brokered Private Placement**

The Corporation also announces a non-brokered private placement of 1,555,554 units of the Corporation (each, a **“First Offering Unit”**), at a price of \$0.15 per First Offering Unit, for an aggregate gross proceeds of \$ 173,333 (the **“First Offering”**) and 994,712 units of the Corporation (each, a **“Second Offering Unit”** and collectively with the First Offering Unit, the **“Offering Units”**), at a price of \$ 0.1575 per Second Offering Unit, for an aggregate gross proceeds of \$ 156,667 (the **“Second Offering”** and collectively with the First Offering, the **“Offerings”**).

Each First Offering Unit subscribed for under the First Offering is comprised of one Subordinate Voting Shares and one warrant (a **“First Offering Warrant”**). Each First Offering Warrant shall entitle the holder thereof to subscribe for one Subordinate Voting Share of the Corporation, at a price of \$0.25 per Subordinate Voting Share, for a period of 24 months following the closing of the Offering, subject to acceleration provision. Each Second Offering Unit subscribed for under the Second Offering is comprised of one Subordinate Voting Shares and one warrant (a **“Second Offering Warrant”**). Each Second Offering Warrant shall entitle the holder thereof to subscribe for one Subordinate Voting Share of the Corporation, at a price of \$ \$0.25 per Subordinate Voting Share, for a period of 24 months following the closing of the Offering, subject to acceleration provision.

The issuance of Offering Units is conditional to the approval of the TSX Venture Exchange and will be subject to a hold period of 4 months and one day.

The Offerings take place in favor of Mr. Tarique Saiyed (for an aggregate amount of \$ 200,000 or 1,283,599 Offering Units), a director and secretary of the Corporation, which constitute “related party transactions” within the meaning of Regulation 61-101 and within the meaning of Policy 5.9 of the Stock Exchange – *Protection of Minority securities holders in Special Transactions*. However, the directors of the Corporation who voted have determined that exemptions from the formal valuation and minority approval requirements provided for in sections 5.5 (a) and 5.7 (1) (a) of Regulation 61-101 respectively may be invoked as neither the fair market value of the Offering Units issued to such insider nor the fair market value of the consideration paid exceeds 25% of the market capitalization of the Corporation. No director of the Corporation has expressed a contrary opinion or disagreement with the foregoing.

## **Grant of Options**

In addition, the Corporation announces that the Board of Directors has approved the grant of options (the **“Options”**) to purchase Subordinate Voting Shares in the capital of the Corporation. These Options are exercisable at a price of \$0.21 for a period of ten years from the date of grant. A total of 625,000 Options have been granted to Mr. Tarique Saiyed, a director and secretary of the Corporation. These Options are exercisable on the date of grant.

This press release does not constitute an offer of securities for sale in the United States or to “U.S. persons” (**“U.S. persons”**), as such term is defined in Regulations promulgated under the United States Securities Act of 1933, as amended (the **“U.S. Securities Act”**). The securities being offered have not been, nor will be, registered under the U.S. Securities Act or any state securities laws, and may not be offered or sold in the United States or to U.S. persons absent registration or an applicable exemption from such registration requirements.



## **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 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 commercialization partner, brings opportunities for further diversification and growth potential. Devonian is traded publicly on the TSXV Exchange (TSXv:GSD).

For more information, visit [www.groupe-devonian.com](http://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 21<sup>st</sup>, 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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