



DEVONIAN HEALTH GROUP INC.

PRESS RELEASE

For immediate release

DEVONIAN ANNOUNCES THE ISSUANCE OF UNITS IN SETTLEMENT OF INTERESTS OWED TO A DEBENTURE HOLDER

QUEBEC, January 22, 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, announces today the issuance of the following units in settlement of interests owed to a holder of debentures issued in the private placement, as announced by press releases dated July 19, 2018:

- 252,055 units at a unit price of \$0.20 (the “**Units**”) are issued to Aspri Pharma Canada Inc. (“**Aspri**”), holder of a debenture issued in the first tranche of the private placement closed on July 19, 2018. These Units are issued against the interest due to Aspri as of January 18, 2021 for a total amount of \$50,411. Each Unit consists of one subordinate voting share and one warrant (a “**Warrant**”). Each Warrant gives its holder the right to subscribe to a subordinate voting share in the share capital of the Corporation at a price of \$0.26 for a period of 48 months.

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

The settlement of interests in the form of Units of the Corporation takes place in favor of Aspri (for an amount of \$50,411 or 252,055 Units), a holder of more than 10 % of the securities 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 Units issued to this insider nor the fair market value of the consideration paid does not exceeds 25 % of the market capitalization of the Corporation. No director of the Corporation has expressed a contrary opinion or disagreement in connection 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 the subordinate voting shares and the Warrants 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 the subordinate voting shares and the Warrants were not determined.

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 TSX Venture 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 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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