



PRESS RELEASE

For immediate release

Devonian Announces Approval of Amendments to its Stock Option Plan and its Restricted Share Unit Plan

Not for distribution to United States newswire services or for dissemination in the United States

QUEBEC, March 30th, 2023 – Devonian Health Group Inc. (“**Devonian**” or the “**Corporation**”) (TSXV: **GSD**; OTCQB: **DVHGF**), a clinical stage botanical pharmaceutical corporation, focused on developing a unique portfolio of botanical pharmaceutical and cosmeceutical products, is pleased to announce that at the annual and special meeting of its shareholders on March 17, 2023 (the “**Meeting**”), shareholders approved the renewal of the Corporation stock option plan (the “**Option Plan**”), as amended, and the renewal of the Corporation restricted share unit plan (the “**RSU Plan**”), as amended. Pursuant to the policies of the TSX Venture Exchange (the “**Exchange**”), the Option Plan and the RSU Plan are “10% rolling” plans. The maximum aggregate number of subordinate voting shares of the Corporation (the “**Shares**”) that may be reserved for issuance under the Option Plan and the RSU Plan is equal to 10% of the outstanding Shares, combined with all of the Corporation’s other security-based compensation mechanisms, at the time of the grant of an option or a restricted share unit (a “**RSU**”).

Option Plan

On November 24, 2021, the Exchange adopted a new policy governing security-based compensation (the “**Policy 4.4**”). In order to comply with the new requirements of Policy 4.4 amendments have been made to the Option Plan to ensure that:

- (i) any threshold for reservation of Shares to be issued under the Option Plan is now calculated as a percentage of the issued and outstanding Shares and combined with the Shares reserved for all of the Corporation’s other security-based compensation mechanisms, including the RSU Plan;
- (ii) the Exchange approval will be required to accelerate the vesting dates and/or expiry dates of any stock options when the optionholder is engaged to provide investor relation services to the Corporation;
- (iii) the disinterested shareholder approval will be required when the Option Plan, together with all of the Corporation’s previously established and outstanding stock option plans or grants and combined with the Shares reserved for all of the Corporation’s other security-based compensation mechanisms, including the RSU Plan, as the case may be, could permit at any time the grant to insiders of the Corporation (as a group), within a 12 month period, and at any giving time, of an aggregate number of stock options exceeding 10% of all the issued and outstanding Shares of the Corporation, calculated at the date of grant of such stock option to any insider;
- (iv) any amendment to the Option Plan or to the terms and conditions of any granted stock option that reduces the exercise price or that extends the expiry date of a stock option will require the disinterested shareholders approval if the optionholder covered by this amendment is an insider of the Corporation when the amendment is proposed;



- (v) the stock options granted to an insider of the Corporation, a consultant, or to any person holding a stock option with an exercise price that is less than the market price, and the Shares that may be issued upon the exercise thereof will be subject to a four-month resale restriction imposed by the Exchange commencing on the date the stock options are granted to such person; and
- (vi) the definition of the term “Employee” now includes an individual who works for a Corporation or its subsidiary on a continuing and regular basis for a minimum of 20 hours per week, providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source.

The full text of the Option Plan can be found in Schedule A of the Corporation's management and information circular, a copy of which can be found on the Corporation's SEDAR profile at www.sedar.com. The Option Plan remains subject to the final approval of the Exchange.

RSU Plan

In order to comply with the new requirements of Policy 4.4 amendments have also been made to the RSU Plan, to ensure that:

- (i) except as otherwise determined by the Corporation or as set forth in the applicable grant agreement, upon the termination of a participant's employment (as determined under criteria established by the Corporation), including by way of death, retirement, disability, termination without cause and termination for cause during the term of a share unit, all unvested share units held by the participant shall be forfeited and cancelled provided, however, that the Corporation may, if it determines that a waiver would be in the best interest of the Corporation, waive in whole or in part any or all remaining restrictions or conditions with respect to any such share unit. However, the Corporation may not waive any or all remaining restrictions or conditions that would cause the vesting of a share unit before the date that is one year following the date it is granted or issued;
- (ii) each grant agreement will provide that the share unit granted thereunder is not transferable or assignable to anyone other than a permitted assign. In the event of the death of a participant, a permitted assign shall have a period of one (1) year to claim any portion of the share unit-based compensation of the participant; and
- (iii) notwithstanding anything else in the RSU Plan, any unvested share units issued to a participant at the time of a merger and acquisition transaction shall immediately vest if the participant is either terminated without cause or resigns with serious reason (as such term has been defined under the Civil Code), from their position with the Corporation within the period ending 12 months from the date of the completion of the merger and acquisition transaction. In the event the adjustment provided in Section 17.3 of the RSU Plan is applicable, the Corporation shall, acting reasonably, determine the extent to which the participant met the conditions for vesting of share units. However, the Corporation may not waive any or all remaining restrictions or conditions that would cause the vesting of a share unit before the date that is one year following the date it is granted or issued, if it does not comply with Section 4.6 of the Policy 4.4 and the termination is not a direct result of a merger and acquisition transaction.

The full text of the RSU Plan can be found in Schedule C of the Corporation's management and information circular, a copy of which can be found on the Corporation's SEDAR profile at www.sedar.com. The RSU Plan remains subject to the final approval of the Exchange.



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 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 Exchange (**TSXV: GSD**) and on OTCQB exchange (**OTCQB: DVHGF**).

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 the Corporation’s estimates or assumptions turn out to be inaccurate. Such risks and assumptions include, but are not limited to, the Exchange final approval of the Option Plan and the RSU Plan, 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 the Exchange nor its Regulation Services Provider (as that term is defined in policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

Contact:

Mr. Pierre J. Montanaro
President and Chief Executive Officer



DEVONIAN

Devonian Health Group inc.

Telephone: (450) 434-9709

Email: pmontanaro@groupe-devonian.com