



PRESS RELEASE

For immediate release

Devonian Announces the Results of its Annual General and Special Shareholders' Meeting, the Approval of Amendments to its Stock Option Plan, and Grant of Stock Options

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QUEBEC, February 21, 2024 – 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, announced today the results of the vote of its annual general and extraordinary shareholders' meeting (the “**Meeting**”) held on February 20, 2024, via video conference at 10:00 a.m. (EST).

Election of Directors

Taking into account the proxies received and the votes cast at the Meeting, the following individuals have been elected as directors of the Corporation until the next annual shareholders' meeting: Messrs. Luc Grégoire, André Boulet, Louis Flamand, David C. Baker, Edward Dahl and Jean Forcione.

Appointment of Auditor

Taking into account the proxies received and the votes cast at the Meeting, PricewaterhouseCoopers s.r.l./s.e.n.c.r.l. has been appointed as the independent auditor of the Corporation for the current fiscal year, and the directors of the Corporation have been authorized to determine its remuneration.

Option Plan

Taking into account the proxies received and the votes cast at the Meeting, the renewal of the Corporation's stock option plan (the “**Option Plan**”), as amended, has been approved by disinterested shareholders. Within the meaning of the policies of the TSX Venture Exchange (the “**Exchange**”), the Option Plan is a “fixed up to 20%” plan. Accordingly, 29,346,106 subordinate voting shares of the Corporation (the “**Shares**”), representing 20% of the number of Shares outstanding as of January 9, 2024, are reserved for granting of combined stock options.

In order to, among others, amend the classification of the Option Plan to a “fixed up to 20%” plan, in accordance with the requirements of Policy 4.4 of the Exchange, amendments have been made to the Option Plan to ensure that:

- (i) the maximum number of Shares which may be issued for all purposes under the Option Plan shall be equal to 29,346,106 Shares. If any stock option granted hereunder is cancelled, terminated, expired, surrendered, or forfeited for any reason in accordance with the terms of the Option Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of the Option Plan;



- (ii) no stock option may be granted to an eligible participant under the Option Plan (and to any companies that are wholly owned by that person) if the Shares reserved for issuance with respect to such grant and the stock options combined with the Shares reserved for all of the Corporation's other security-based compensation mechanisms, already granted exceed, in a twelve (12) month period, 10% of all the issued and outstanding Shares, calculated at the date of grant of such stock options, subject to the Corporation obtaining the requisite disinterested shareholder approval in accordance with the policies of the Exchange;
- (iii) the total number of stock options to be granted to insiders of the Corporation (as a group), must not exceed 20% of all the issued and outstanding Shares combined with the Shares reserved for all of the Corporation's other security-based compensation mechanisms, at any point in time and in any 12-month period calculated at the date of grant of such stock options, subject to the Corporation obtaining the requisite disinterested shareholder approval in accordance with the policies of the Exchange;
- (iv) in the event of an inconsistency between the terms of the Option Plan and the notice of grant, the notice of grant shall prevail provided that the terms of the Notice of Grant (i) are more restrictive than the terms of the Option Plan; and (ii) do not conflict with the rules of any Exchange upon which the Shares of the Corporation are listed. In the event of such discrepancy with the rules of any Exchange upon which the Shares of the Corporation are listed, the approval of the Exchange shall be obtained prior to the implementation of any of the conflicting provisions;
- (v) the board of directors of the Corporation may, by notifying an option holder or its legal representative, in its sole discretion, extend the expiry date of any stock options in whole or in part. If the option holder is an Insider of the Corporation, the disinterested shareholder approval is required to extend the expiry date of any stock options in whole or in part. The board of directors of the Corporation cannot, under any circumstances, extend the expiry date of any stock options for a period greater than 12 months following the date on which the stock option holder ceases to be an eligible participant under the Option Plan for any reason whatsoever;
- (vi) subject to the discretionary power of the board of directors of the Corporation, outstanding stock options that are not vested as of the date the option holder ceases to be an eligible person under the Option Plan for any reason such as disability, resignation, dismissal or termination of contract, shall terminate on such date, cannot be vested and become null, void and of no effect. The board of directors of the Corporation cannot, under any circumstances, extend the expiry date of any stock options for a period greater than 12 months following the date on which the stock option holder ceases to be an eligible participant under the Option Plan for any reason whatsoever; and
- (vii) the policies of the Exchange provides that the Corporation must obtain the approval of disinterested shareholders considering that the Corporation wishes to have permission to i) grant to the Corporation's insiders (as a group), at any time and within a given 12-month period, a total number of stock options greater than 10% (i.e. 20%) of all the issued and outstanding Shares, this number being calculated at the date of grant of such stock options, combined with the Shares reserved for all of the Corporation's other security-based compensation mechanisms; and ii) grant to eligible participants under the Option Plan (and to any companies that are wholly owned by that person) a total number of stock options greater than 5% (i.e. 10%) of all the issued and outstanding Shares, in any 12-month period, this number being calculated at the date of grant of such stock options, combined with the Shares reserved for all of the Corporation's other security-based compensation mechanisms.

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.sedarplus.ca. The Option Plan remains subject to the final approval of the Exchange.



Approval of the New By-laws

Considering the proxies received and the votes cast at the Meeting, the Corporation's new by-laws have been approved by the shareholders, replacing the original by-laws adopted by the board of directors on May 12, 2017.

Approval of the Share Consolidation

Considering the proxies received and the votes cast at the Meeting, the amendment to the Corporation's articles to consolidate the outstanding Shares on a basis of one (1) new Share for up to seventy (70) old Shares held has been approved by the shareholders. It is understood that the Share consolidation ratio and the timing of the Share consolidation implementation will be determined by the Corporation's board of directors, as applicable.

The board of directors of the Corporation was seeking authority to implement the potential Share Consolidation in the event of an opportunity if it believes that the resultant increase to the trading price of the Shares from effecting the Share Consolidation could potentially, and principally, (i) broaden the pool of investors that may consider investing or be able to invest in the Corporation, and (ii) enable the Corporation to satisfy certain minimum trading price requirements of US and other stock exchanges for a potential listing of the Corporation's Shares.

Approval of the Amendment to the Share Capital

Considering the proxies received and the votes cast at the Meeting, the amendment to the articles of amalgamation to modify the Corporation's initial share capital set out in the Corporation's Certificate of Amalgamation dated May 12, 2017, aiming to change the designation of the Shares to "Common Shares", has been approved by the shareholders.

Grant of Stock Options

The Corporation also announced that the board of directors has approved the granting of 2,934,611 stock options to Mr. Luc Grégoire, and 150,000 stock options to employees of the Corporation, allowing them to acquire Shares at an exercise price of \$0.15 for a period of 10 years in accordance with the terms and conditions of the Stock Option Plan. All the stock options granted to Mr. Grégoire, and the employees of the Corporation are vested immediately. The grant of the stock options is subject to the approval of the Exchange.

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 the American Food and Drug Administration 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 TSX Venture Exchange (the “**Exchange**”) (TSXV: **GSD**) and on OTCQB exchange (OTCQB: **DVHGF**).

For more information, visit www.groupedevonian.com.

Cautionary Note Regarding Forward-Looking Statements

All statements, other than statements of historical fact, contained in this press release including, but not limited to those relating to the completion of the Share consolidation, the approval of the Exchange regarding the Share consolidation, the final chosen consolidation ratio, the anticipated benefits of completing the Share consolidation, and the final approval of the Option Plan, constitute “forward-looking information” or “forward-looking statements” within the meaning of certain securities laws, and are based on expectations, estimates and projections as of the time of this press release.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Corporation as of the time of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. These estimates and assumptions may prove to be incorrect. Many of these uncertainties and contingencies can directly or indirectly affect, and could cause, actual results to differ materially from those expressed or implied in any forward-looking statements. There can be no assurance that these assumptions will prove to be correct and there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that estimates, forecasts, projections and other forward-looking statements will not be achieved or that assumptions do not reflect future experience. Forward-looking statements are provided for the purpose of providing information about management’s expectations and plans relating to the future. Readers are cautioned not to place undue reliance on these forward-looking statements as a number of important risk factors and future events could cause the actual outcomes to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates, assumptions and intentions expressed in such forward-looking statements. All of the forward-looking statements made in this press release are qualified by these cautionary statements and those made in our other filings with the applicable securities regulators of Canada. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

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.

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