Avivagen

For Immediate Release

Avivagen Announces $1.8 million Credit Facility With the Bloom Burton Healthcare Lending Trust

Ottawa, ON / TNW-Accesswire / Nov 2 2015 / – Avivagen Inc. (TSXV: VIV, OTC Pink: CHEXF), a life sciences company that develops and delivers products that support and enhance the health of livestock, pets and people, announces an agreement with the Bloom Burton Healthcare Lending Trust for a Secured Drawdown Credit Facility of up to $1.8 million.

The Facility will advance Avivagen's plans for commercializing its OxC-beta™ technology branded product lines – principally to replace the antibiotics used in livestock feeds.

Cameron Groome, CEO and President of Avivagen, stated, "We believe we're making good progress with commercializing OxC-beta™ Livestock in key Asian feed markets. This Facility will help us achieve our goals, including national registrations, distribution or joint venture agreements and ongoing or planned confirmatory livestock trials: such as the swine trials announced last week with the R&D center of COFCO Group, China's largest food company, and with Vietnam's National Institute of Animal Sciences. "

Subject to the receipt of regulatory approvals, the $1.8 million Facility will be available to the Company and can be drawn down as required. The Facility will mature in November, 2019, at which time any amounts drawn down and all accrued and unpaid interest will be repayable. Amounts drawn down will bear interest at 12% per year, with 7% payable quarterly and the remaining 5% accruing quarterly to be repaid at maturity. However for the first year of the Facility, the 7% annual interest will become due and payable only on the anniversary of the date of the first drawdown. The obligations of the Company under the Facility are secured under a general security agreement between the Company and the Trust.

In consideration for the Trust's commitment to the Facility, Avivagen has agreed, subject to TSXV approval, to issue the Trust warrants to purchase its common shares. Such warrants will vest and become exercisable in amounts proportional to how much of the Facility is drawn down. Up to 5,000,000 warrants will vest, with an exercise price of $0.11 per common share. Vested warrants will remain exercisable until the Facility maturity date, subject to potential acceleration under TSXV policies in the event of repayment prior to the maturity date.

Mr. Chris Boland, CFO of Avivagen Inc., provided further perspectives, "We're pleased with the terms of the Facility and believe it is a prudent and cost effective way to augment our finances. We consider the Facility preferable to issuing equity at this time and its provision of up to one year of our cash needs will help with our commercialization efforts. Credit facilities on such fair terms are invaluable to development-stage Canadian life sciences companies such as Avivagen."

Management will be available to discuss the Facility via a conference call, scheduled at 9:00 AM Eastern Time on Tuesday, November 3, 2015. To participate in the call, please dial into the call at 8:55 AM using teleconference number 1-866-797-9101 (Canada & the U.S.) or +613-787-5143 (International), using the conference access code 6269165#.

About Avivagen Inc.
Avivagen Inc. is a publicly-listed life sciences company trading on the TSX Venture Exchange under the ticker symbol “VIV” and on OTC Pink as “CHEXF.” The Company’s goal is to develop and deliver scientifically-proven solutions that benefit companion and production animals by employing natural mechanisms for maintaining good health. Target markets include Livestock Productivity and Pet Wellness.

Avivagen is based in partnership facilities of the National Research Council of Canada (NRC) - in Ottawa, Ontario and Charlottetown, Prince Edward Island. For more information, visit **www.avivagen.com**.

About Avivagen Technology
Avivagen’s proprietary and patent-protected technology is based on its discoveries concerning carotenoid antioxidants. These novel natural compounds help the body’s own systems to maintain and enhance health, by supporting immune function and calming excess inflammation. Avivagen’s commercial-stage application of its technology is fully-oxidized beta-carotene. Fully oxidized beta-carotene compounds occur naturally as carotenoid oxidation products in vegetation, but in minute amounts. They have been developed to support companion animal health and for use in the global food animal market.

In pets, fully-oxidized beta-carotene supports overall vitality and energy, mobility and joint function, and skin, coat and gut health. Results observed in food animals have included healthier growth, more efficient utilization of feed and decreased morbidity. In food animals, it is intended that its use avoids the feeding of antibiotics. Avivagen’s commercial products are OxC-beta™ Livestock (Kingdom of Thailand), Vivamune™ Vital Health^3 Chews (United States) and Oximunol™ Chewable Tablets (United States).

About OxC-beta™ Livestock
OxC-beta™ Livestock is available as a 10% pre-mix sold in 1.0 or 5.0 Kg quantities for parts-per-million addition to animal feeds, in accordance with Avivagen or producer-developed protocols. In past studies, OxC-beta™ Livestock has been shown to support health or growth in species such as chicken, pigs, cattle and fish. OxC-beta™ Livestock is currently available for commercial sale in the Kingdom of Thailand.

About Vivamune™ Vital Health^3 Chews – For dogs and cats
Vivamune™ Vital Health^3 Chews, containing Avivagen’s proprietary active ingredients, are scientifically-formulated chews for dogs and cats. Vivamune™ Vital Health^3 Chews work with a pet’s own immune system to help it maintain overall health and well-being. They are sold in re-sealable packages of 30 chews and are currently available in the United States by ordering on-line at www.vivamunehealth.com.

About Oximunol™ Chewable Tablets – For dogs
Oximunol™ Chewable Tablets are scientifically-formulated chewable tablets that contain Avivagen’s proprietary, patented active ingredient, which has been shown to stimulate innate cellular immunity and may thereby help to maintain overall health and well-being. Oximunol™ Chewable Tablets were distributed by a multinational animal health company in the United States and Avivagen is now working to identify new partners through which to distribute to veterinarians for dogs of all ages.

Permanent Non-Surgical Sterilization of Female Mammals
Avivagen has optioned worldwide exclusive rights to a technology for the permanent and non-surgical sterilization of female mammals. Proof-of-concept work is ongoing to demonstrate whether the technology appears to be safe and effective. It is expected that a patent covering World Trade Organization countries will be pursued and further information will be disclosed when a patent application is published or as otherwise deemed prudent or required.

Forward Looking Statements

This news release includes certain forward-looking statements that are based upon the current expectations of management. Forward-looking statements involve risks and uncertainties associated with the business of Avivagen Inc. and the environment in which the business operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking, including those identified by the expressions "aim", "anticipate", "appear", "believe", "consider", "could", "estimate", "expect", "if", "intend", "goal", "hope", "likely", "may", "plan", "possibly", "potentially", "pursue", "seem", "should", "whether", "will", "would" and similar expressions. Statements about uses of the technologies described in this news release, including their importance to animal or human health, their novelty, safety, efficacy or affordability, corporate goals or management's opinions, the Facility, use of the Facility, the suitability of the Facility, the Trust or Bloom Burton and Co., are all forward looking statements. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Such Avivagen risks and uncertainties include, but are not limited to, the following: its ability to continue as a going concern; the results of ongoing or future trials may not be positive or sufficiently positive; even if the results of trials are positive, there is no guarantee that its products will be commercially successful or that requisite regulatory approvals will be obtained; the timing and results of trials may be delayed or may not be completed at all; and intellectual property rights may prove inadequate to protect its inventions. Accordingly, readers should not place undue reliance on forward-looking statements. Except as required by law, Avivagen assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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