



For Immediate Release

Avivagen Inc. Announces Results for the Quarter Ending January 31, 2017

Ottawa, ON / TNW-Accesswire / Feb 22 2017 / – Avivagen Inc. (TSXV: VIV, OTC Pink: CHEXF), a life sciences company commercializing products intended to replace the antibiotics added to livestock feeds, announces its results for the first quarter ending January 31, 2017. The Company intends to accelerate market access and the commercial uptake of its OxC-beta™ Livestock product, an innovative product that has the potential to eliminate the use of antibiotics as growth promoters in livestock feed, a problem that needs an urgent solution and which represents a multi-billion dollar market.

The Company's January 31, 2017 first quarter end financial statements and its management discussion and analysis have been filed on the System for Electronic Document Analysis and Retrieval ("SEDAR") and are available via its website (www.sedar.com).

Avivagen concluded its first quarter ended January 31, 2017 in a strong financial position, with cash and cash equivalents of \$5,467,033, as compared to \$5,142,401 at the end of October 31, 2016. Cash was further increased by the exercise of more expiring share purchase warrants. An additional \$800,000 remains available via an undrawn balance of a loan facility.

Current liabilities of the Company were \$633,833 at January 31, 2017, leading to a strong working capital position and a current ratio of 8.8 – a solid foundation to continue to support commercialization of OxC-beta™ Technology to replace antibiotics in livestock feeds. Absent material sales growth, management estimates Avivagen's current "burn rate" at approximately \$4.0 million per year.

Total revenues for the quarter were \$62,337, principally derived from sales of OxC-beta™ Livestock and sales of analytic standards by Avivagen's Chemaphor division. The first industrial scale order was recorded in the quarter ending January 31, 2017. The first quarter loss was \$1 million, an increase from the prior quarter that reflected increased expenses related to trials, business development, legal and intellectual property related work.

Management believes fiscal 2016 and the first quarter of 2017 was an important time for Avivagen, during which it more broadly proved the commercial utility of OxC-beta™ – by publishing on important new discoveries about its origins and safety, reporting results of five additional livestock trials, obtaining a new national registration (the Philippines) and signing commercial partnerships (China and the Philippines). Additionally, Avivagen filed for new patent and trademark protections. Goals include developing further commercial and trial alliances in Asia and elsewhere, exploring registration in countries such as the USA and the European Union, developing protocols for use in new species and establishing proof-of-concept for human applications. Additionally, Avivagen will pursue additional sales in the countries where OxC-beta™ Livestock is already permitted to be sold for use in livestock feeds.

The Board has appointed Mr. Paul Mesburis as Lead Director for the period that Kym Anthony acts as both Chair and Interim Chief Executive Officer. Mr. Mesburis is an existing board member with more than 25 years of global business and senior leadership experience.

About Avivagen

Avivagen Inc. is a life sciences company that has developed a scientifically-proven product for replacing antibiotics in livestock feeds and to otherwise benefit human and animal health. 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 OxC-beta™ Technology and OxC-beta™ Livestock

OxC-beta™ Technology is derived from Avivagen discoveries about carotenoids, compounds that give certain fruits and vegetables their bright colors and is a non-antibiotic means of maintaining optimal health and growth. OxC-beta™ Livestock is a proprietary product shown to be effective and economic in replacing the antibiotics commonly added to livestock feeds. OxC-beta™ Livestock is currently registered and available for sale in the Philippines, Taiwan and Thailand.

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”, “helps”, “hope”, “likely”, “may”, “plan”, “possibly”, “potentially”, “pursue”, “seem”, “should”, “whether”, “will”, “would” and similar expressions or opinions of management. Avivagen faces risks and uncertainties in connection with its business, including, but not limited to, the following: Avivagen’s ability to continue as a going concern; whether Avivagen’s burn rate will remain the same or increase; 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 Avivagen’s products will be commercially successful or that requisite registrations or regulatory approvals will be obtained or maintained; the timing and results of trials may be delayed or may not be completed at all; whether Avivagen will achieve any of the goals set out in this press release, if at all; whether Avivagen can obtain further commercial and trial alliances in Asia and elsewhere; and intellectual property rights may not be granted, or, if granted, may prove inadequate to protect Avivagen’s inventions. Readers should also refer to the risk factors in Avivagen’s Annual Information Form and other securities law filings from time to time. Accordingly, readers should not place undue or even any 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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