Avivagen

Avivagen Announces Q2 Financial Results

OTTAWA, June 05, 2018 -- Avivagen Inc. (TSX-V:VIV) (“Avivagen” or the “Corporation”), a life sciences corporation focused on developing and commercializing products for livestock, companion animal and human applications that, by safely supporting immune function, promote general health and performance, today reported its financial results for Q2, 2018. Unless otherwise noted, all figures are in Canadian currency.

2018 Q2 Results

The Company’s April 30, 2018 second quarter end financial statements and its management discussion and analysis have been filed on the System for Electronic Document Analysis and Retrieval and are available via its website (www.sedar.com).

The Company reported revenues of $218,879 and a comprehensive loss from continuing operations of $1,019,555 for the three-month period ended April 30, 2018. For the six-month period ended April 30, 2018, the Company reported revenues of $362,075 and a comprehensive loss from continuing operations of $2,261,143. As at April 30, 2018, the Company reported total current assets of $3,520,007, total liabilities of $1,814,508 and shareholders’ equity of $1,774,816.

Significant cash inflows in the six-month period ended April 30, 2018 included a private placement for gross proceeds of $4,058,500, which was completed on November 30, 2017. Each of the 4,058,500 units issued consisted of one common share and one half common share purchase warrant for a unit price of $1.00 each. Each whole warrant entitles the holder to acquire one common share of the Company at a purchase price of $1.20 for a period of three years commencing from November 30, 2017.

In the three-month period ended 30 April 2018, 52,000 agent warrants were exercised at $0.60 per warrant for gross proceeds of $31,200. The warrants had an expiry date of June 1, 2018.

Highlights

Over the past several months, Avivagen has achieved numerous key milestones, which include:

- The first sale of Vivamune Health Chews into the Chinese market through an arrangement with Pawllion Inc., a U.S. registered company in California specializing in wholesale and distribution of pet products internationally.

- GRAS (Generally Regarded As Safe) regulatory approval for OxC-beta™ Livestock 10% for use in livestock in New Zealand.

- Retained Meyenberg International Group as its agent to help Avivagen pursue regulatory approval for the use of Avivagen’s OxC-beta™ Livestock 10% in Mexico.

- The announcement of a two-year distribution agreement of its Vivamune Health Chews product with **PACC Pets,** a company dedicated to distributing innovative and unique high-quality pet products throughout the United States, Canada and abroad.

- The successful trial results testing OxC-beta™ Livestock 10% in gestating–lactating sows, conducted by South China Agricultural University located in Guangzhou, China, demonstrating that OxC-beta™ Livestock 10% not only benefited sow health but also led to improvements in the health of nursing piglets.

- The successful trial results testing OxC-beta™ Livestock 10% in dairy cattle conducted by COFCO Biotech of Beijing, demonstrating that that supplementation with OxC-beta™ Livestock 10% significantly increased protein content of milk by 15.8% and improved several other indicators of milk quality when compared to controls.

About Avivagen

Avivagen Inc. is a public corporation traded on the TSX Venture Exchange under the symbol VIV and is headquartered in Ottawa, Canada, based in partnership facilities of the National Research Council of Canada and Charlottetown, Prince Edward Island. For more information, visit www.avivagen.com.

About OxC-beta™ Technology and OxC-beta™ Livestock

Avivagen’s OxC-beta™ technology arises from Avivagen’s discoveries about carotenoids, compounds that give certain fruits and vegetables their bright colors. Specifically, Avivagen has discovered the naturally occurring compound that is the actual source of β-carotene’s non-vitamin A activity and uses the synthetic version of the compound as the source of activity of Avivagen’s OxC-beta™ products. Importantly, the OxC-beta™ compound 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 New Zealand, Philippines, Taiwan and Thailand.

About Vivamune™ Health Chews (Vivamune)

Vivamune is an all-in-one chew that can dramatically simplify a pet’s supplement routine. Featuring a newly-discovered, novel immune-supporting active ingredient, OxC-beta™, Vivamune targets joints, skin and digestive health all in a single, tasty chew a pet will love. Vivamune is available for sale in the United States. For more information, visit www.vivamunehealth.com.

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. 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. 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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